

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1414747-0

Total Deleted Page(s) = 8

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DOCUMENTS

INBOX.1 (#2052)

TO: MM @ EMH2

FROM: HQT X @ EMH1

SUBJECT: 141/0041 PRIORITY

DATE: 22 MAY 87 02:06:35 GMT

CC:

TEXT:

VZCZCHQ0041

PF MM

DE HQ #0041 1412133

ZNR UUUUU

P 211337Z MAY 87

FM DIRECTOR FBI

TO FBI MIAMI (211-NEW) (PRIORITY)

BT

UNCLAS

FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS; ETHICS IN GOVERNMENT ACT (EIGA); THRESHOLD
INQUIRY; OO: MIAMI (MM).

ON MAY 18, 1987, THE BUREAU RECEIVED FROM THE DEPARTMENT
OF JUSTICE (DOJ) A WRITTEN REQUEST FOR ASSISTANCE IN CONDUCTING
A "THRESHOLD INQUIRY" REGARDING THE CAPTIONED INDIVIDUAL.

THE REQUEST ARISES OUT OF AN ALLEGATION MADE BY

IN A COMPLAINT
THAT DOJ HAS CHARACTERIZED AS "SOMEWHAT ARGUMENTATIVE",
HAS ALLEGED THAT CARLUCCI, WHILE A PRIVATE CITIZEN IN THE
CAPACITY OF PRESIDENT OF SEARS WORLD TRADE (SWT), HAS KNOWLEDGE

b6
b7c

OPEN	OPEN
CLASS	211 ALPHA
ORIGIN	MM
DATE	5/22/87

WHL - title
as above
7/22

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 22 1987	

5/22/87 gm

OF AND MAY HAVE DIRECTED CERTAIN FRAUDULENT TRANSACTIONS IN ITS BUSINESS DEALINGS WITH [REDACTED] ADDITIONALLY, [REDACTED] HAS FILED A LAWSUIT AGAINST SWT IN THE STATE COURT IN MIAMI, FLORIDA.

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WHILE CARLUCCI IS AN INDIVIDUAL COVERED UNDER THE ETHICS IN GOVERNMENT ACT (EIGA), THE INFORMATION PROVIDED BY [REDACTED] IS INSUFFICIENT TO DETERMINE WHETHER A PRELIMINARY INVESTIGATION UNDER THE ACT IS APPROPRIATE. ACCORDINGLY, DOJ HAS REQUESTED THAT A THRESHOLD INQUIRY BE CONDUCTED BY THE BUREAU AS EXPEDITIOUSLY AS POSSIBLE TO PERMIT SUCH A DETERMINATION.

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ALL INFORMATION DEVELOPED BY MIAMI PERSONNEL SHOULD BE CONVEYED DIRECTLY TO THE WHITE COLLAR CRIME SECTION, PUBLIC CORRUPTION UNIT UNLESS OTHERWISE INSTRUCTED BY SAME.

LEADS:

MIAMI:

1. WILL CONDUCT A THOROUGH INTERVIEW OF [REDACTED] CONCERNIN HIS ALLEGATIONS, SPECIFICALLY DETERMINING THE EXTENT AND NATURE OF CARLUCCI'S ALLEGED KNOWLEDGE AND DIRECTION OF THE FRAUDULENT ACTIVITY.

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b7C

2. WILL EXAMINE AND PROVIDE A SUMMARY OF ALL COURT RECORDS PERTAINING TO LITIGATION BETWEEN [REDACTED] AND SWT.

3. WILL REQUEST TO PROVIDE A COPY OF ANY PERTINENT PORTIONS OF THE COURT RECORD IN HIS LAWSUIT AGAINST SWT.

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#0041

NNNN

[illegible]

SEARCHED *LS* INDEXED *LS*
SERIALIZED *LS* FILED *LS*
JUL 10 1987
FBI - MEMPHIS

Field File No. _____

Serial # of Originating Document _____

OO and File No. ^{mm} 211-7-1A1 _____

Date Received 6-1-87 _____

From _____
(Name of Contributor)

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Miami, FL
(City and State)

By _____
(Name of Special Agent)

To Be Returned ☐ Yes ☒ No Receipt Given ☐ Yes ☒ No

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b7c

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure ☐ Yes ☒ No

Title: Frank Carlucci
F I G A
CONFIDENTIAL?

Reference: _____
(Communication Enclosing Material)

Description: ☒ Original notes re interview of _____

'2/11-7-1A'

6/1/87

int June 3
2:30pm.

Legal - complaint being prepared
and
action
Sears World Trade
in federal court

Court file available
& depositions

@ 100 court docketed of Gadavits

State of Florida

Cv Cr - 84-44203 - George Orr

article in Village Voice - 5/21/87
New York

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b7c

① Civil matters attorney
[redacted]



The attorney

② Rips Gomey & Rosebush
[redacted]

directed verdict in Civil Court trial

Learned from Press other matters re
Sears World Trade's dealings in weapons
& arms & Carlucci

~~reports~~ Village Voice article written by
~~John Redgway~~ - his in Washington
Office of Village Voice

- 2nd article written by ^{reporter} John Redgway
of Sears World Trade which may
be Covert Intelligence Operation

Sears World Trade Originally in
Washington, D.C.
- Sears World Trade between
between Liberty Foundation

- thinks this a main commercial
rip-off of him [redacted]
& Carlucci involved

National Endowment for Preservation of Liberty
Spitz Channel involved in
~~and~~ ~~not~~ Contra

Western ~~Goals~~ ^{Goals} → run by Larry
McDonald (deceased) then taken
over by Spitz Channel

[redacted]

[redacted]

(phonetic)

→ involved in sales to Libya

[redacted]

In Court file used as numerous
affidavits requesting production
of records & became extremely
difficult to get any of their
documents & they never
did produce their telephone records.

He thinks it will be important to
FBI to obtain telephone records
of Sears World Trade Company -

4



attorneys have advised him

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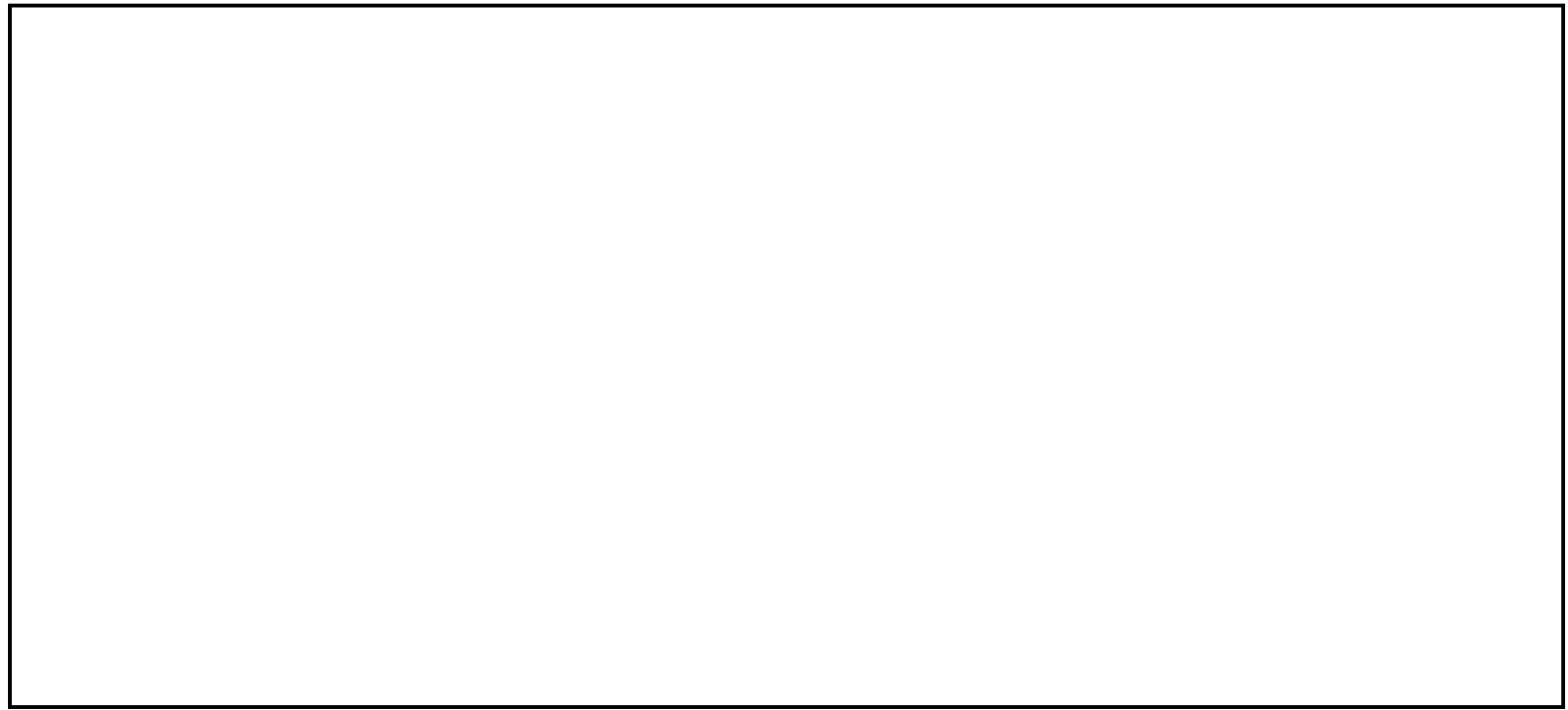
not to talk to FBI until after
Fed Complaint is filed -

Time frame - at least a month -

Carlucci's signature is all over
many of the documents & knew very
well

On adv

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FBI

TRANSMIT VIA:

☒ Teletype
☒ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☒ UNCLAS E F T O
☒ UNCLAS

Date

211-7
10/1/87

1 FM MIAMI (211-7) (PC-1) (P)

2 TO DIRECTOR, FBI (PRIORITY)

3 ATTENTION: SSA [REDACTED] PUBLIC CORRUPTION SECTION)

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4 BT

5 UNCLAS

6 FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY
 7 AFFAIRS; ETHICS IN GOVERNMENT ACT (EIGA); THRESHOLD INQUIRY; 00:MM.

8 RE FBIHQ TELETYPE TO MIAMI DATED MAY 22, 1987.

9 ON JUNE 1, 1987, [REDACTED], TELEPHONCIALLY CONTACTED
 10 SPECIAL AGENT [REDACTED] TO A ADVISE UPON THE ADVICE OF COUNSEL
 11 HE WAS CANCELLING A SCHEDULED INTERVIEW WITH THE FBI.

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12 [REDACTED] ADVISED THAT A DIRECTED VERDICT IN STATE CIRCUIT COURT
 13 HAS BEEN RENDERED, HOWEVER, HE IS APPEALING THE DIRECTED VERDICT.
 14 IN ADDITION, HE SAID HIS ATTORNEYS ARE PREPARING A COMPAINT TO BE
 15 FILED IN U.S. FEDERAL DISTRICT COURT AND THEY HAVE ADVISED HIM NOT
 16 TO DISCUSS THE MATTER UNTIL AFTER THE COMPLAINT IF FILED,

17 1 - Miami
 18 WRL/crd
 19 (1)

20 Searched.....
 21 Serialized.....
 Indexed.....
 Filed.....

211-7-2

Approved: WRL/c

Transmitted

6036

12/25

AP

Per

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6/9/87

Handle in absence of

FBI

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☐ Teletype
☐ Facsimile
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PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

1 PAGE TWO MM (211-7) UNCLAS

2 WHICH HE ESTIMATED WOULD BE AT LEAST A MONTH.

3 [] SAID HE STILL WISHED TO SPEAK TO THE FBI, HOWEVER SAID HE
4 DID NOT WANT TO VIOLATE THE WISHES OF HIS ATTORNEYS.

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b7C

5 [] SAID HE HAD LEARNED FROM CERTAIN MEMBERS OF THE PRESS
6 (UNNAMED) THAT SEARS WORLD TRADE HAS BEEN INVOLVED IN WEAPONS AND
7 ARMS DEALS AND THAT CARLUCCI HAS BEEN SUSPECTED OF BEING INVOLVED IN
8 SOME OF THESE TRANSACTIONS.

9 IN ADDITION, [] SAID HE HAS SEVERAL DOCUMENTS REGARDING HIS
10 OWN BUSINESS TRANSACTIONS IN WHICH CARLUCCI'S NAME APPEARS. HE
11 BELIEVES THIS WAS A "MAJOR COMMERCIAL RIP-OFF" OF HIM AND FURTHER
12 THAT CARLUCCI WAS INVOLVED AND/OR HAD KNOWLEDGE OF THE TRANSACTIONS.

13 [] DID NOT SPECIFY THE NATURE OF THE BUSINESS TRANSACTIONS
14 HE'D HAD WITH SEARS WORLD TRADE.

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b7C

15 MIAMI CASE AGENT [] WHO IS CURRENTLY OUT OF TOWN
16 ON A "SPECIAL", HAS BEEN TELEPHONICALLY ADVISED OF THE CANCELLATION
17 BY [] OF THE INTERVIEW AND WILL THEREFORE NOT RETURN TO MIAMI AS
18 HAD BEEN PLANNED INASCMUH AS THERE ARE NO OTHER LEADS TO PURSUE IN
19 CAPTIONED MATTER UNTIL SUCH TIME AS THE FEDERAL COMPLAINT IS

20

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

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☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
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☐ CONFIDENTIAL
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☐ UNCLAS

Date _____

1 PAGE THREE MM (211-7) UNCLAS

2 FILED. (SA [] WAS EARLIER ADVISED BY ASAC [] TO DELETE LEAD b6
3 NUMBER TWO ON REFERENCED TELTYEPE, THEREFORE NOTHING FURTHER CAN BE b7C
4 DONE ON CAPTIONED MATTER).

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

Transmit attached by Facsimile - UNCLAS

Precedence PRIORITYTo: FBIHQ; Atty. Gen.
Room 4371, Ext. 2568Date: 11/5/87b6
b7CFrom: MIAMI 211-7Time: Transmitted - 4:10/pSubject: FRANK C. CARLUCCI, Asst. to President
For NATIONAL SECURITY AFFAIRS; ETHICS IN GOVERNMENT ACT (EIGA)
THRESHOLD INQUIRY; COMM

☐ Fingerprint Photo ☐ Fingerprint Record ☐ Map ☐ Newspaper clipping ☐ Photograph
☐ Artists Conception ☒ Other Teletype

Special handling instructions:

Hand Carry to S.S.A.
Room 4371, Ext. 2568

Approved

OUTBOX.1 (#1187)

TO: HQ2 @ EMH2

FROM: MM @ EMH2

SUBJECT: 154/0036 PRIORITY

DATE: 4 JUN 87 04:19:38 GMT

CC:

TEXT:

MM00036 1540400

PP HQ

DE MM

P 040429 JUN 87

FM MIAMI (211-7) (PC-1) (P)

TO DIRECTOR, FBI (PRIORITY)

(ATTENTION: SSA [REDACTED], PUBLIC CORRUPTION SECTION)

BT

UNCLAS

FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDNET FOR NATIONAL
SECURITY AFFAIRS; ETHICS IN GOVERNMENT ACT (EIGA); THRESHOLD
INQUIRY; OO:MM.

b6
b7c

RE FBIHQ TELETYPE TO MIAMI DATED MAY 22, 1987.

ON JUNE 1, 1987, [REDACTED] TELEPHONICALLY CONTACTED
SPECIAL AGENT [REDACTED] TO ADVISE UPON THE ADVICE OF
COUNSEL HE WAS CANCELLING A SCHEDULED INTERVIEW WITH THE FBI.

[REDACTED] ADVISED THAT A DIRECTED VERDICT IN STATE CIRCUIT
COURT HAS BEEN RENDERED, HOWEVER, HE IS APPEALING THE DIRECTED
VERDICT. IN ADDITION, HE SAID HIS ATTORNEYS AR PREPARING A
COMPLAINT TO BE FILED IN U.S. FEDERAL DISTRICT COURT AND THEY
HAVE ADVISED HIM NOT TO DISCUSS THE MATTER UNTIL AFTER THE
COMPLAINT IS FILED,

Searched.....
Serialized.....
Indexed.....
Filed.....
211-7-2

PAGE TWO MM (211-7) UNCLAS

WHICH HE ESTIMATED WOULD BE AT LEAST A MONTH.

[] SAID HE STILL WISHED TO SPEAK TO THE FBI, HOWEVER
SAID HE DID NOT WANT TO VIOLATE THE WISHES OF HIS ATTORNEYS.

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b7C

[] SAID HE HAD LEARNED FROM CERTAIN MEMBERS OF THE PRESS
(UNNAMED) THAT SEARS WORLD TRADE HAS BEEN INVOLVED IN WEAPONS AND
ARMS DEALS AND THAT CARLUCCI HAS BEEN SUSPECTED OF BEING INVOLVED
IN SOME OF THESE TRANSACTIONS.

IN ADDITION, [] SAID HE HAS SEVERAL DOCUMENTS REGARDING
HIS OWN BUSINESS TRANSACTIONS IN WHICH CARLUCCI'S NAME APEARS.
HE BELIEVES THIS WAS A "MAJOR COMMERCIAL RIP-OFF" OF HIM AND
FURTHER THAT CARLUCCI WAS INVOLVED AND/OR HAD KNOWLEDGE OF THE
TRANSACTIONS.

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[] DID NOT SPECIFY THE NATURE OF THE BUSINESS
TRANSACTIONS HE HAD WITH SEARS WORLD TRADE.

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b7C

MIAMI CASE AGENT [] WHO IS CURRENTLY OUT OF
TOWN ON A "SPECIAL", HAS BEEN TELEPHONICALLY ADVISED OF THE
CANCELLATION BY [] OF THE INTERVIEW AND WILL THEREFORE NOT
RETURN TO MIAMI AS HAD BEEN PLANNED INASMUCH AS THERE ARE NO
OTHER LEADS TO PURSUE IN CAPTIONED MATTER UNTIL SUCH TIME AS THE
FEDERAL COMPLAINT IS

PAGE THREE MM (211-7) UNCLAS

FILED. (SA [] WAS EARLIER ADVISED BY ASAC [] TO DELETE
LEAD NUMBER TWO ON REFERENCED TELETYPE, THEREFORE NOTHING FURTHER
CAN BE DONE ON CAPTIONED MATTTTER).

BT

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Memorandum



PCI

To : SAC, Miami (211-⁷AW)

Date

6/23/87

From : SA

Subject :

Frank C. Carlucci,
Assistant to the President for National Security Affairs;
Ethics in Government Act (EIGA); Threshold Inquiry;
OO: Miami

b6
b7C

In view of the fact that SA [redacted]
has been transferred to PC-2, the
above-captioned case should be
reassigned.

Reassign
CM
6/25/87

211-7-3

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 26 1987	

(2)

b6
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Memorandum



To : SAC, Miami (211-New)

Date 6/23/87

From : SA [redacted]

b6
b7C

Subject : ✓ Frank C. Carlucci,
Assistant to the President for National Security Affairs;
Ethics in Government Act (EIGA); Threshold Inquiry;
OO: Miami

In view of the fact that SA [redacted]
has been transferred to PC-2, the
above-captioned case should be
reassigned.

211-7-3

SEARCHED	INDEXED
SERIAL 1750	FILED
JUN 26 1987	

MI

(2)

FBI

211-2/P
211-2/P/1

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 6/18/87

FM MIAMI (211-2) (PG-1) (P)

TO ACTING DIRECTOR PRIORITY

(ATTN: PUBLIC CORRUPTION SECTION)

BT

UNCLAS (SECTION 1 OF 2)

CHANGED, FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR,
 NATIONAL SECURITY AFFAIRS, ETHICS IN GOVERNMENT ACT (EIGA);
 THRESHOLD INQUIRY, OO: BUREAU.

TITLE MARKED CHANGED TO REFLECT OO AS BUREAU RATHER THAN
 MIAMI, PER TELEPHONE INSTRUCTIONS OF BUREAU.

ON JUNE 12, 1987, [REDACTED]

[REDACTED] WAS INTERVIEWED BY BUREAU AGENTS REGARDING
 ALLEGATIONS OF IMPROPRIETY AND POSSIBLE ILLEGALITY OF SEARS WORLD
 TRADE (SWT) AND FRANK CARLUCCI.

[REDACTED] CONTENDED THAT SWT DEFRAUDED HIM THROUGH INTENTIONAL
 ACTIONS ORCHESTRATED TO DETERMINE THE IDENTITY OF HIS SUPPLIERS

① - Miami
 WRL/jjjj
 (1)

WRL
 6/19/87

211-7-

WRL

Approved: _____

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 Filed _____

211-7-4

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☐ Immediate
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☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO MM 211-2 UNCLAS

IN CENTRAL AND SOUTH AMERICA AND THE CARIBBEAN AND THEREAFTER ELIMINATE HIM AS A PRINCIPAL AND/OR BROKER AND SUBSEQUENTLY DEAL DIRECTLY WITH HIS SUPPLIERS.

HE ALSO STATED THAT NONCONFORMING LETTERS OF CREDIT (LC'S) WERE ISSUED AT SWT'S DIRECTION FROM THEIR FINANCIAL INSTITUTION TO HIM. EFFORTS ON HIS PART TO RECEIVE CORRECTED LC'S CONFORMING TO THE PREVIOUSLY ISSUED PRO-FORMA INVOICES RESULTED IN EXTENSIVE PAYMENT DELAYS THEREBY CREATING CREDIBILITY PROBLEMS WITH HIS SUPPLIERS AND FURTHER AGGRAVATING HIS POSITION AS A PRINCIPAL (BUYER) OF PRODUCTS IN LATIN AMERICA.

[] PROVIDED THREE SWT DOCUMENTS WHICH INCLUDED COPY COUNTS TO FRANK CARLUCCI AND STATED THAT HE HAD SEEN CARLUCCI'S NAME ON VARIOUS PURCHASE ORDERS FOR PRODUCTS BEING BOUGHT BY SWT THROUGH []

[] MAINTAINED THAT CARLUCCI KNEW WHAT WAS TRANSPIRING BETWEEN SWT AND [] AND THAT SWT NEVER DID CONSUMMATE ANY BUSINESS WITH [] IN CONFORMANCE WITH THE ORIGINALLY ISSUED PRO-FORMA INVOICES.

[] BELIEVES HE WAS USED BY SWT IN ORDER FOR THEM TO GAIN CONTACTS IN LATIN AMERICA SO THAT SWT COULD ULTIMATELY DEAL

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☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE MM 211-2 UNCLAS

DIRECTLY WITH THESE SUPPLIERS, THEREBY ELIMINATING THE MIDDLEMAN AND INCREASING THEIR PROFIT MARGIN AT HIS EXPENSE. ONCE SWT HAD LEARNED THE IDENTITY OF HIS SUPPLIERS, HE STATED THIS WAS EXACTLY WHAT HAPPENED. HE BELIEVES THE NONCONFORMING LC'S WERE IN ESSENCE, "STALL TACTICS" DELIBERATELY DESIGNED TO KEEP HIM, "AT BAY" BY CONVEYING THE IMPRESSION THAT SWT WAS AN INEXPERIENCED INTERNATIONAL TRADING COMPANY AND [] SHOULD BEAR WITH THEM (SWT) WHILE THEY ATTEMPTED TO CORRECT THE FAULTY LC'S.

[] ADVISED THAT ALTHOUGH HE BECAME DISGUSTED EARLY ON WITH THEIR SEEMING INEPTITUDE AND ERRORS, SWT CONTINUED TO BAIT HIM WITH OFFERS OF EVER LARGER PURCHASES INCLUDING ALUMINUM INGOTS, UREA NITROGEN AND PETROLEUM FOR WHICH HE EITHER ALREADY HAD OR WAS ABLE TO FIND LATIN OR CARIBBEAN SUPPLIERS.

[] ALSO DISPLAYED AND PROVIDED A COPY OF AN INTERNAL SWT MEMO FROM [] TO [] REGARDING THE NEGOTIATIONS OF THE PURCHASES OF 90 METRIC TONS OF ALUMINUM INGOTS FROM IDIPROCA IN MARACAIBO, VENEZUELA, WHEREIN THE PREVIOUSLY ISSUED (AND THEN EXPIRED) LC WAS DISCUSSED.

IT WAS STATED IN THE MEMO BY [] (SWT) THAT THERE WERE THREE ADVANTAGES TO REOPENING AN LC DIRECTLY WITH IDIPROCA

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(Time)

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☐ UNCLAS

Date _____

PAGE FOUR MM-211-2 UNCLAS

(THE VENEZUELAN SUPPLIER).

THESE THREE ADVANTAGES WERE STATED AS FOLLOWS: (1) DIRECT CONTACT/COMMUNICATION WITH THE SUPPLIER; (2) DO NOT HAVE TO DEAL WITH [] AS A PRINCIPAL TO THIS TRANSACTION; AND (3) WILL IMMEDIATELY ESTABLISH A WORKING RELATIONSHIP WITH A POTENTIALLY VERY GOOD VENEZUELAN COMPANY.

THE MEMO GOES ON TO STATE, "WE WILL THEN PAY [] [] A COMMISSION, AFTER THE GOODS ARE SHIPPED AND PROPERLY RECEIVED. SO LONG AS THIS IS HANDLED IN A PROPER, BUSINESS-LIKE FASHION, I DO NOT ANTICIPATE ANY PROBLEMS. WILL YOU PLEASE ARRANGE TO REOPEN THE LC ACCORDINGLY."

THIS MEMO WAS OBTAINED THROUGH CIVIL DISCOVERY DURING THE TIME PERIOD [] WAS PREPARING FOR LITIGATION AGAINST SWT.

TO THE BEST OF [] RECOLLECTION, HE WOULD HAVE OBTAINED IT IN THE FALL OF 1986; HOWEVER, WHAT [] CONTENDS IS JUST AS IMPORTANT AS THE CONTENT IS THE FACT THAT THE MEMO IS DATED NOVEMBER 16, 1983. HE WENT ON TO EXPLAIN THAT THE DATE OF THE MEMO IS IMPORTANT BECAUSE TWO DAYS LATER, ON NOVEMBER 18, 1983, SWT SENT REPRESENTATIVES TO MIAMI TO MEET WITH HIM IN AN ATTEMPT TO PLACATE HIM REGARDING THE CONTINUING PROBLEMS HE WAS

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☐ UNCLAS

Date _____

PAGE FIVE MM 211-2 UNCLAS

EXPERIENCING WITH THE NONCONFORMING LC'S. SUBSEQUENT SHIPPING, SCHEDULING AND OTHER DELAYS HAD ENSUED FROM THE NONCONFORMING LC'S ISSUED BY SWT.

HE SAID THE MEETING ON NOVEMBER 18, 1983, FOR ALL INTENTS AND PURPOSES, WAS THEN A SHAM DESIGNED TO KEEP HIM APPEASED WHILE THEY (SWT) PROCEEDED TO NEGOTIATE DIRECTLY WITH HIS SUPPLIERS WHILE BLEEDING HIM FOR ADDITIONAL INFORMATION ON OTHER LATIN AMERICAN SUPPLIERS OF GOODS THEY (SWT) EXPECTED TO BE ABLE TO TRADE IN OTHER MARKETS.

[] ADVISED THERE WERE MANY OTHER INSTANCES OF APPARENT DUPLICITY BY SWT AND CITED EXAMPLES WHICH OCCURRED DURING DISCOVERY AND TRIAL PREPARATION. WHEN [] THROUGH ITS ATTORNEYS, REQUESTED COPIES OF SWT'S TELEPHONE TOLL RECORDS (IN AN ATTEMPT TO DEMONSTRATE FOR EVIDENTIARY PURPOSES THAT SWT WAS IN DIRECT TELEPHONIC CONTACT WITH [] SUPPLIERS DURING CRITICAL TIME PERIODS), THEY (SWT) TURNED OVER THE TOLL RECORDS OF SEARS AND ROEBUCK COMPANY AND NEVER DID MAKE THEIR OWN TELEPHONE RECORDS AVAILABLE UNDER DISCOVERY.

[] NOW BELIEVES FROM TALKING TO HIS SUPPLIERS THAT SWT WAS IN DIRECT CONTACT WITH THEM AND EARLY ON BEGAN TELEPHONIC

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☐ UNCLAS

Date _____

PAGE SIX MM 211-2 UNCLAS

NEGOTIATIONS DESIGNED TO ELIMINATE HIM AS A PRINCIPAL (OR IN SOME CASES A BROKER. [] SAID HIS STATUS DEPENDED ON THE SUPPLIER'S POSITION; I.E. WHETHER THE FOREIGN SUPPLIER WAS A PRIVATE COMPANY OR A GOVERNMENTALLY OWNED ENTITY. THE RULES GOVERNING HIS POSITION ARE DEPENDENT ON THE LAWS, RULES AND REGULATIONS GOVERNING BUSINESS IN THE SUPPLIER'S HOST COUNTRY.)

[] STATED THAT A DIRECTED VERDICT IN STATE COURT WAS RENDERED AFTER A MOTION WAS ENTERTAINED BY THE JUDGE. [] STATED THAT THE JUDGE SUGGESTED TO SWT THAT THIS MOTION BE FILED BY DEFENDANT SWT. [] SAID THE MOTION WHICH WAS FILED MIDWAY THROUGH THE TRIAL ALLOWED DEFENDANT SWT TO AMEND ITS REPOSITIVE PLEADINGS TO ALLEGE THAT [] WAS MERELY A BROKER THEREBY SUBJECT TO FLORIDA STATE LAW GOVERNING THE ACTIONS OF BROKERS. [] STATED THAT A 26 PAGE RESPONSE, APPARENTLY FILED CONTESTING THESE ISSUES, WAS MERELY "FANNED" BY THE JUDGE IN COURT. THE JUDGE ENTERTAINED A MOTION FOR A DIRECTED VERDICT AND SO RULED. [] THEN STATED THAT THE JUDGE THEN REMOVED CERTIFICATES OF APPRECIATION FOR THE JURORS, THANKED THEM FOR THEIR TIME AND

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Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

FBI

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☐ Teletype
☐ Facsimile
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PRECEDENCE:

☐ Immediate
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CLASSIFICATION:

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☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

FM MIAMI (211-2) (PC-1) (P)

TO ACTING DIRECTOR PRIORITY

(ATTN: PUBLIC CORRUPTION SECTION)

BT

UNCLAS (SECTION 2 OF 2)

CHANGED, FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR,
NATIONAL SECURITY AFFAIRS, ETHICS IN GOVERNMENT ACT (EIGA),
THRESHOLD INQUIRY, OO: BUREAU.

Approved: _____

Transmitted

(Number)

0006

(Time)

Per _____

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO MM 211-2 UNCLAS

DISMISSED THEM. [] SAID THREE OF THE SIX JURORS EXPRESSED DISMAY AT THE OUTCOME AND TOLD HIM THEY WOULD HAVE VOTED IN HIS FAVOR HAD THEY BEEN ALLOWED TO DECIDE THE CASE.

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[] HAS APPEALED THE DIRECTED VERDICT AND IN ADDITION IS PREPARING TO FILE IN FEDERAL COURT UNDER THE CIVIL RICO STATUTE.

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[] CONTENDED THAT CARLUCCI KNEW WHAT WAS TRANSPIRING, CONDONED AND PARTICIPATED IN WHAT HE FEELS WERE FRAUDULENT BUSINESS PRACTICES AND HAS THEREBY DEMONSTRATED A LACK OF INTEGRITY AND LACK OF FITNESS FOR A POSITION OF TRUST IN A PUBLIC OFFICE.

ADMINISTRATIVE:

[] WAS ADVISED THAT THE FBI WAS NOT THERE TO REVIEW THE MERITS OF THE CIVIL SUIT NOR TO MAKE ANY CONCLUSIONARY STATEMENTS ON CARLUCCI'S PAST BUSINESS ACTIVITIES.

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[] ALSO ASKED WHETHER THE FBI HAD REVIEWED THE COURT FILE, TESTIMONY AND PROCEEDINGS. HE WAS ADVISED THIS HAD NOT BEEN DONE PER THE REQUEST OF FBIHQ. HE EXPRESSED DISSATISFACTION OVER THIS DECISION AND ADVISED THAT THE AGENTS COULD NOT COMPREHEND THE EXTENT OF THE FRAUD WITHOUT A REVIEW OF THE DOCUMENTS. HE SAID THE TOTALITY OF THE CIRCUMSTANCES RESTS

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE MM 211-2 UNCLAS

WITHIN THE CONTENTS OF THE DOCUMENTS AND SUPPORTS HIS THEORY THAT
SWT ACTED IN BAD FAITH WITH THE FULL KNOWLEDGE AND ACQUIESCENCE
OF THEIR CORPORATE OFFICERS.

ALSO ADVISED THAT HE WOULD BE AVAILABLE FOR FURTHER
DISCUSSIONS ON THIS MATTER AND WOULD CONTACT THE FBI IN
APPROXIMATELY TWO WEEKS TO DISCUSS AN UNRELATED MATTER, POSSIBLY
OF INTEREST TO THE FBI.

FD-302 TO FOLLOW.

BT

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

OUTBOX.1 (#2333)

TO: HQ2 @ EMH2

FROM: MM @ EMH2

SUBJECT: 169/0005 PRIORITY

DATE: 18 JUN 87 22:31:47 GMT

CC:

TEXT:

VZCZCMM0005

PP HQ

DE MM #0005 1692005

ZNR UUUUU

P 192001Z JUN 87

FM MIAMI (211-⁷/~~2~~) (PC-1) (P)

TO ACTING DIRECTOR PRIORITY

(ATTN: PUBLIC CORRUPTION SECTION)

BT

UNCLAS (SECTION 1 OF 2)

CHANGED, FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS, ETHICS IN GOVERNMENT ACT (EIGA);
THRESHOLD INQUIRY, OO: BUREAU.

TITLE MARKED CHANGED TO REFLECT OO AS BUREAU RATHER THAN
MIAMI, PER TELEPHONE INSTRUCTIONS OF BUREAU.

ON JUNE 12, 1987, [REDACTED]

[REDACTED] WAS INTERVIEWED BY BUREAU AGENTS REGARDING
ALLEGATIONS OF IMPROPRIETY AND POSSIBLE ILLEGALITY OF SEARS WORLD
TRADE (SWT) AND FRANK CARLUCCI.

[REDACTED] CONTENDED THAT SWT DEFRAUDED HIM THROUGH INTENTIONAL
ACTIONS ORCHESTRATED TO DETERMINE THE IDENTITY OF HIS SUPPLIERS

Searched...
Serialized...
Indexed...
Filed...

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PAGE TWO DE MM 0005 UNCLAS

IN CENTRAL AND SOUTH AMERICA AND THE CARIBBEAN AND THERAFTER
ELIMINATE HIM AS A PRINCIPAL AND/OR BROKER AND SUBSEQUENTLY DEAL
DIRECTLY WITH HIS SUPPLIERS.

HE ALSO STATED THAT NONCONFORMING LETTERS OF CREDIT (LC'S)
WERE ISSUED AT SWT'S DIRECTION FROM THEIR FINANCIAL INSTITUTION TO
HIM. EFFORTS ON HIS PART TO RECEIVE CORRECTED LC'S CONFORMING TO
THE PREVIOUSLY ISSUED PRO-FORMA INVOICES RESULTED IN EXTENSIVE
PAYMENT DELAYS THEREBY CREATING CREDIBILITY PROBLEMS WITH HIS
SUPPLIERS AND FURTHER AGGRAVATING HIS POSITION AS A PRINCIPAL
(BUYER) OF PRODUCTS IN LATIN AMERICA.

[] PROVIDED THREE SWT DOCUMENTS WHICH INCLUDED COPY
COUNTS TO FRANK CARLUCCI AND STATED THAT HE HAD SEEN CARLUCCI'S
NAME ON VARIOUS PURCHASE ORDERS FOR PRODUCTS BEING BOUGHT BY SWT
THROUGH []

[] MAINTAINED THAT CARLUCCI KNEW WHAT WAS TRANSPIRING
BETWEEN SWT AND [] AND THAT SWT NEVER DID CONSUMMATE ANY
BUSINESS WITH [] IN CONFORMANCE WITH THE ORIGINALLY ISSUED PRO-
FORMA INVOICES.

[] BELIEVES HE WAS USED BY SWT IN ORDER FOR THEM TO GAIN
CONTACTS IN LATIN AMERICA SO THAT SWT COULD ULTIMATELY DEAL

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PAGE THREE DE MM 0005 UNCLAS

DIRECTLY WITH THESE SUPPLIERS, THEREBY ELIMINATING THE MIDDLEMAN AND INCREASING THEIR PROFIT MARGIN AT HIS EXPENSE. ONCE SWT HAD LEARNED THE IDENTITY OF HIS SUPPLIERS, HE STATED THIS WAS EXACTLY WHAT HAPPENED. HE BELIEVES THE NONCONFORMING LC'S WERE IN ESSENCE, "STALL TACTICS" DELIBERATELY DESIGNED TO KEEP HIM "AT BAY" BY CONVEYING THE IMPRESSION THAT SWT WAS AN INEXPERIENCED INTERNATIONAL TRADING COMPANY AND [] SHOULD BEAR WITH THEM (SWT) WHILE THEY ATTEMPTED TO CORRECT THE FAULTY LC'S.

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[] ADVISED THAT ALTHOUGH HE BECAME DISGUSTED EARLY ON WITH THEIR SEEMING INEPTITUDE AND ERRORS, SWT CONTINUED TO BAIT HIM WITH OFFERS OF EVER LARGER PURCHASES INCLUDING ALUMINUM INGOTS, UREA NITROGEN AND PETROLEUM FOR WHICH HE EITHER ALREADY HAD OR WAS ABLE TO FIND LATIN OR CARIBBEAN SUPPLIERS.

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[] ALSO DISPLAYED AND PROVIDED A COPY OF AN INTERNAL SWT MEMO FROM [] REGARDING THE NEGOTIATIONS OF THE PURCHASES OF 90 METRIC TONS OF ALUMINUM INGOTS FROM IDIPROCA IN MARACAIBO, VENEZUELA, WHEREIN THE PREVIOUSLY ISSUED (AND THEN EXPIRED) LC WAS DISCUSSED.

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IT WAS STATED IN THE MEMO BY [] (SWT) THAT THERE WERE THREE ADVANTAGES TO REOPENING AN LC DIRECTLY WITH IDIPROCA

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PAGE FOUR DE MM 0005 UNCLAS

(THE VENEZUELAN SUPPLIER).

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THESE THREE ADVANTAGES WERE STATED AS FOLLOWS: (1) DIRECT CONTACT/COMMUNICATION WITH THE SUPPLIER; (2) DO NOT HAVE TO DEAL WITH [] AS A PRINCIPAL TO THIS TRANSACTION; AND (3) WILL IMMEDIATELY ESTABLISH A WORKING RELATIONSHIP WITH A POTENTIALLY VERY GOOD VENEZUELAN COMPANY.

THE MEMO GOES ON TO STATE, "WE WILL THEN PAY []

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[] A COMMISSION, AFTER THE GOODS ARE SHIPPED AND PROPERLY RECEIVED. SO LONG AS THIS IS HANDLED IN A PROPER, BUSINESS-LIKE FASHION, I DO NOT ANTICIPATE ANY PROBLEMS. WILL YOU PLEASE ARRANGE TO REOPEN THE LC ACCORDINGLY."

THIS MEMO WAS OBTAINED THROUGH CIVIL DISCOVERY DURING THE TIME PERIOD [] WAS PREPARING FOR LITIGATION AGAINST SWT.

TO THE BEST OF [] RECOLLECTION, HE WOULD HAVE OBTAINED IT IN THE FALL OF 1986; HOWEVER, WHAT [] CONTENTS IS JUST AS IMPORTANT AS THE CONTENT IS THE FACT THAT THE MEMO IS DATED NOVEMBER 16, 1983. HE WENT ON TO EXPLAIN THAT THE DATE OF THE MEMO IS IMPORTANT BECAUSE TWO DAYS LATER, ON NOVEMBER 18, 1983, SWT SENT REPRESENTATIVES TO [] TO MEET WITH HIM IN AN ATTEMPT TO PLACATE HIM REGARDING THE CONTINUING PROBLEMS HE WAS

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PAGE FIVE DE MM 0005 UNCLAS

EXPERIENCING WITH THE NONCONFORMING LC'S. SUBSEQUENT SHIPPING, SCHEDULING AND OTHER DELAYS HAD ENSUED FROM THE NONCONFORMING LC'S ISSUED BY SWT.

HE SAID THE MEETING ON NOVEMBER 18, 1983, FOR ALL INTENTS AND PURPOSES, WAS THEN A SHAM DESIGNED TO KEEP HIM APPEASED WHILE THEY (SWT) PROCEEDED TO NEGOTIATE DIRECTLY WITH HIS SUPPLIERS WHILE BLEEDING HIM FOR ADDITIONAL INFORMATION ON OTHER LATIN AMERICAN SUPPLIERS OF GOODS THEY (SWT) EXPECTED TO BE ABLE TO TRADE IN OTHER MARKETS.

[] ADVISED THERE WERE MANY OTHER INSTANCES OF APPARENT DUPLICITY BY SWT AND CITED EXAMPLES WHICH OCCURRED DURING DISCOVERY AND TRIAL PREPARATION. WHEN [] THROUGH ITS ATTORNEYS, REQUESTED COPIES OF SWT'S TELEPHONE TOLL RECORDS (IN AN ATTEMPT TO DEMONSTRATE FOR EVIDENTIARY PURPOSES THAT SWT WAS IN DIRECT TELEPHONIC CONTACT WITH [] SUPPLIERS DURING CRITICAL TIME PERIODS), THEY (SWT) TURNED OVER THE TOLL RECORDS OF SEARS AND ROEBUCK COMPANY AND NEVER DID MAKE THEIR OWN TELEPHONE RECORDS AVAILABLE UNDER DISCOVERY.

[] NOW BELIEVES FROM TALKING TO HIS SUPPLIERS THAT SWT WAS IN DIRECT CONTACT WITH THEM AND EARLY ON BEGAN TELEPHONIC

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PAGE SIX DE MM 0005 UNCLAS

NEGOTIATIONS DESIGNED TO ELIMINATE HIM AS A PRINCIPAL (OR IN SOME CASES A BROKER. [] SAID HIS STATUS DEPENDED ON THE SUPPLIER'S POSITION; I.E. WHETHER THE FOREIGN SUPPLIER WAS A PRIVATE COMPANY OR A GOVERNMENTALLY OWNED ENTITY. THE RULES GOVERNING HIS POSITION ARE DEPENDENT ON THE LAWS, RULES AND REGULATIONS GOVERNING BUSINESS IN THE SUPPLIER'S HOST COUNTRY.)

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[] STATED THAT A DIRECTED VERDICT IN STATE COURT WAS RENDERED AFTER A MOTION WAS ENTERTAINED BY THE JUDGE. [] STATED THAT THE JUDGE SUGGESTED TO SWT THAT THIS MOTION BE FILED BY DEFENDANT SWT. [] SAID THE MOTION WHICH WAS FILED MIDWAY THROUGH THE TRIAL ALLOWED DEFENDANT SWT TO AMEND ITS REPONSIVE PLEADINGS TO ALLEGE THAT [] WAS MERELY A BROKER THEREBY SUBJECT TO FLORIDA STATE LAW GOVERNING THE ACTIONS OF BROKERS. [] STATED THAT A 26 PAGE RESPONSE, APPARENTLY FILED CONTESTING THESE ISSUES, WAS MERELY "FANNED" BY THE JUDGE IN COURT. THE JUDGE ENTERTAINED A MOTION FOR A DIRECTED VERDICT AND SO RULED. [] THEN STATED THAT THE JUDGE THEN REMOVED CERTIFICATES OF APPRECIATION FOR THE JURORS, THANKED THEM FOR THEIR TIME AND
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OUTBOX.2 (#2346)

TO: HQ2 @ EMH2

FROM: MM @ EMH2

SUBJECT: 169/0006 PRIORITY

DATE: 19 JUN 87 01:35:35 GMT

CC:

TEXT:

VZCZCMM0006

PP HQ

DE MM #0006 1692006

ZNR UUUUU

P 192001Z JUN 87

FM MIAMI (211-2) (PC-1) (P)

TO ACTING DIRECTOR PRIORITY

(ATTN: PUBLIC CORRUPTION SECTION)

BT

UNCLAS (SECTION 2 OF 2)

CHANGED, FRANK C. CARLUCCI, ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS, ETHICS IN GOVERNMENT ACT (EIGA),
THRESHOLD INQUIRY, OO: BUREAU.

DISMISSED THEM. [] SAID THREE OF THE SIX JURORS EXPRESSED
DISMAY AT THE OUTCOME AND TOLD HIM THEY WOULD HAVE VOTED IN HIS
FAVOR HAD THEY BEEN ALLOWED TO DECIDE THE CASE.

[] HAS APPEALED THE DIRECTED VERDICT AND IN ADDITION IS
PREPARING TO FILE IN FEDERAL COURT UNDER THE CIVIL RICO STATTE.

[] CONTENDED THAT CARLUCCI KNEW WHAT WAS TRANSPIRING,
CONDONED AND PARTICIPATED IN WHAT HE FEELS WERE FRAUDULENT
BUSINESS PRACTICES AND HAS THEREBY DEMONSTRATED A LACK OF

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PAGE TWO DE MM 0006 UNCLAS

INTEGRITY AND LACK OF FITNESS FOR A POSITION OF TRUST IN A PUBLIC OFFICE.

ADMINISTRATIVE:

[] WAS ADVISED THAT THE FBI WAS NOT THERE TO REVIEW THE MERITS OF THE CIVIL SUIT NOR TO MAKE ANY CONCLUSIONARY STATEMENTS ON CARLUCCI'S PAST BUSINESS ACTIVITIES.

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[] ALSO ASKED WHETHER THE FBI HAD REVIEWED THE COURT FILE, TESTIMONY AND PROCEEDINGS. HE WAS ADVISED THIS HAD NOT BEEN DONE PER THE REQUEST OF FBIHQ. HE EXPRESSED DISSATISFACTION OVER THIS DECISION AND ADVISED THAT THE AGENTS COULD NOT COMPREHEND THE EXTENT OF THE FRAUD WITHOUT A REVIEW OF THE DOCUMENTS. HE SAID THE TOTALITY OF THE CIRCUMSTANCES RESTS WITHIN THE CONTENTS OF THE DOCUMENTS AND SUPPORTS HIS THEORY THAT SWT ACTED IN BAD FAITH WITH THE FULL KNOWLEDGE AND ACQUIESCENCE OF THEIR CORPORATE OFFICERS.

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[] ALSO ADVISED THAT HE WOULD BE AVAILABLE FOR FURTHER DISCUSSIONS ON THIS MATTER AND WOULD CONTACT THE FBI IN APPROXIMATELY TWO WEEKS TO DISCUSS AN UNRELATED MATTER, POSSIBLY OF INTEREST TO THE FBI.

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FD-302 TO FOLLOW.

PAGE THREE DE MM 0006 UNCLAS

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Searched _____
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Serialized 10
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11/27/84

IN THE CIRCUIT COURT OF THE ELEVENTH
JUDICIAL CIRCUIT, IN AND FOR DADE
COUNTY, FLORIDA.

RICHARD SWAEBE, INC.,
a Florida corporation,

Plaintiff,

vs.

SEARS WORLD TRADE, INC.,
a Delaware corporation,
and RICARDO MOSQUERA,

Defendants.

GENERAL JURISDICTION DIVISION

CASE NO. 84-41203-

C O M P L A I N T

Florida Bar No. 085688

DIV. 17

JUDGE GEORGE ORR

FILED NOV. 30, 1984

The Plaintiff, RICHARD SWAEBE, INC., a Florida corporation,
by and through its undersigned counsel, files this Complaint against
the Defendants, SEARS WORLD TRADE, INC., a Delaware corporation, and
RICARDO MOSQUERA, and alleges as follows:

AS TO ALL CAUSES OF ACTION

1. That the subject matter of this controversy is within
the jurisdiction of this Honorable Court and the amount in controversy
exceeds the sum of \$5,000.00, exclusive of interest and costs.

2. The Plaintiff, RICHARD SWAEBE, INC., is a corporation
duly organized and existing under the laws of the State of Florida.

3. The Defendant, SEARS WORLD TRADE, INC., is a corporation
duly organized and existing under the laws of the State of Delaware
and doing business within the State of Florida, at all times herein-
after mentioned.

4. That the Plaintiff corporation is engaged in the busi-
ness of purchasing and selling foreign materials and minerals and
manufactured products and seeking out purchasers and sellers of
foreign materials and minerals and manufactured products.

5. That the Defendant corporation, among its other activities,
is engaged in purchasing for its own use and for resale and selling
foreign materials and finished products.

AS AND FOR A FIRST CAUSE OF ACTION

6. The Plaintiff repeats and reiterates each and every
allegation set forth in Paragraphs 1 through 5 hereinabove with the
same force and effect as though fully set forth herein.

7. The Plaintiff corporation, in the summer of 1983, was
contacted by ANDREW LUBIN, a duly authorized representative of the

Defendant corporation, for the purposes of purchasing certain materials which the Plaintiff agreed to sell to the Defendant. The first purchases to be made by the Defendant from the Plaintiff are evidenced by Telexes from the Plaintiff to the Defendant dated August 15, 1983 and August 17, 1983, and responses from the Defendant dated August 15, 1983 and August 19, 1983, copies of which documentation are attached hereto, made part hereof and labelled "Plaintiff's Exhibits A, B, C & D", respectively, and which pertain to purchases of 90 metric tons of 3105 Aluminum Alloy at \$1,340.00 per metric ton, for a total price of \$120,600.00, and 1,800 metric tons of aluminium rolls manufactured from 99.7 primary aluminum at a price of \$1,585.00 per metric ton, for a total price of \$2,853,000.00. Said materials were to be obtained by and through ALUMINIO GUAYANA.

8. That although the Defendant stated, (in Plaintiff's Exhibits B and D), that formal purchase agreements would follow, no formal purchase contracts did in fact follow although the Defendant purchased the merchandise through Plaintiff's contacts and sources.

9. That the total compensation to be received by the Plaintiff from the Defendant as to these transactions was \$17,100.00, and \$243,000.00, respectively, or a total sum of \$260,100.00, and the Plaintiff has only received the sum of \$121,500.00 from the Defendant and there is a balance presently due and owing by the Defendant to the Plaintiff with respect to those purchases in the sum of \$138,600.00.

WHEREFORE, Plaintiff demands Judgment against the Defendant in the sum of \$138,600.00.

AS AND FOR A SECOND CAUSE OF ACTION

10. The Plaintiff repeats and reiterates each and every allegation set forth in Paragraphs 1 through 9 hereinabove with the same force and effect as though fully set forth herein.

11. That on or about August 15, 1983, the Plaintiff, RICHARD SWAEBE, INC., contacted the Defendant, SEARS WORLD TRADE, INC., and offered to the Defendant 10,000 metric tons of Aluminum Ingots, 99.0 to 99.3 pure, at a unit price of \$1,320.00 per metric ton, for a total

price of \$13,200,000.00, to be delivered monthly, in ten (10) shipments in accordance with "Plaintiff's Exhibit E" attached hereto and made part hereof, which offer was accepted in writing on August 16, 1983, by the Defendant, SEARS WORLD TRADE, INC., "Plaintiff's Exhibit E-1". (3)

12. Although demand was made upon the Defendant by the Plaintiff to make advance payments of five (5%) percent of the net cost per shipment, the Defendant, SEARS WORLD TRADE, INC., failed and refused to do so.

13. As a direct result of the Defendant's failure to comply with the five (5%) percent advanced payment, the Plaintiff's source was unable to purchase the scrap needed to comply with the purchase order and the transaction was terminated.

14. That as a result of the failure of the Defendant to comply with its obligations under the contract, the Plaintiff suffered damages in the sum of \$2,700,000.00

WHEREFORE, Plaintiff demands Judgment against the Defendant in the principal sum of \$2,700,000.00, together with interest thereon and all costs herein.

AS AND FOR A THIRD CAUSE OF ACTION

15. The Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 14 hereinabove with the same force and effect as though fully set forth herein.

16. That on or about October 25, 1983, the Plaintiff offered to the Defendant 10,000 metric tons of primary aluminium (99.7) to be purchased by and through IDIPROCA at a price of \$1,550.00 per metric ton or a total price of \$15,500,000.00, a true and correct copy of which written offer is attached hereto, made part hereof and labelled "Plaintiff's Exhibit F", which the Defendant verbally agreed to purchase on Oct. 25, 1983.

16.A. That said offer was verbally accepted by the Defendant in Miami, Florida, at a meeting between RICHARD SWAEBE, ANDREW LUBIN OF SEARS WORLD TRADE, INC. and DARIO AVELLIO of SEARS WORLD TRADE, INC.

17. That pursuant to a verbal agreement between the Plaintiff and the Defendant the Plaintiff was to receive the sum of \$2,000,000.00 with reference to this transaction.

17.A. That the Defendant advised the Plaintiff that letters of credit were being prepared by Defendant's bank and furnished the Plaintiff with the numbers of the letters of credit which bank letters of credit proved to be non-existent.

18. That the Defendant, upon information and belief, purchased said materials directly from or through IDIPROCA and there is due and owing by the Defendant to the Plaintiff under said transaction the sum of \$2,000,000.00.

19. On or about October 20, 1983, the Plaintiff offered to the Defendant 2,000 metric tons of aluminum ingots (99.7 pure), at a price of \$1,585.00 per metric ton or a total price of \$3,170,000.00, to be purchased through IDIPROCA, as evidenced by "Plaintiff's Exhibit G" attached hereto and made part hereof.

20. On or about October 20, 1983, the Plaintiff offered to the Defendant 1,000 metric tons of aluminum ingots at a price of \$1,320.00 per metric ton, or a total price of \$1,320,000.00, to be purchased through IDIPROCA, as evidenced by "Plaintiff's Exhibit H" attached hereto and made part hereof. This 1,000 metric tons was to partially supply the 10,000 metric tons originally ordered by the Defendant, as described in Paragraph 11. of the First Cause of Action, for which Defendant did not provide proper Letters of Credit.

21. That on or about October 25, 1983, said offers were accepted by the Defendant, in writing, true and correct copies of which acceptances are attached hereto, made part hereof and labelled "Plaintiff's Exhibit I".

22. That although the Defendant agreed to purchase said merchandise through the Plaintiff, it did not do so.

23. That the Plaintiff, with respect to this transaction, was to receive from the Defendant the sum of \$470,000.00 on the order of 2,000 aluminum ingots, and \$190,000.00 on the order of 1,000 aluminum ingots, and that the Defendant has failed and refused to pay same and there is still due and owing by the Defendant to the Plaintiff the sum of \$660,000.00.

WHEREFORE, Plaintiff demands Judgment against the Defendant in the sum of \$2,660,000.00, together with interest thereon and costs herein.

AS AND FOR A FOURTH CAUSE OF ACTION

24. The Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 23 hereinabove with the same force and effect as though fully set forth herein.

25. That on or about October 13, 1983, the Plaintiff contacted the Defendant with an offer, in writing, of the sale to

CARLOS BERNITT in Ecuador of 25,000 metric tons of bagged prilled urea, at a price of \$136.00 per metric ton, which Defendant verbally advised Plaintiff was acceptable to it, copies of which offers by the Plaintiff are attached hereto, made part hereof, and labelled "Plaintiff's Exhibits J and K", respectively.

26. The Defendant, through its duly authorized representative, ANDREW LUBIN, agreed to ship 25,000 metric tons, in shipments of approximately 12,500 metric tons, to CARLOS BERNITT. A true and correct copy of the acceptance dated October 25, 1983 is attached hereto, made part hereof, and labelled "Plaintiff's Exhibit L", but in its formal confirmation order of November 1, 1983, it quoted same in bulk rather than bagged and refused to honor its commitment to sell same bagged. As a result thereof, Plaintiff suffered losses in the amount of \$162,500.00.

27. That the Plaintiff and the Defendant verbally agreed that with respect to any profits to be made on this sale, that the profits would be divided equally between the Defendant and the Plaintiff, said profits to be in the amount of \$325,000.00

28. The Defendant failed to ship the urea to the Plaintiff's customer without any basis for failing to do so, or in the alternative, consummated the transaction without the Plaintiff's knowledge.

29. That the Plaintiff performed all of its obligations under said oral and written agreements but the Defendant failed and refused to pay to the Plaintiff a sum which is in excess of \$162,500.00, representing one-half (1/2) of the profits to be made on this sale.

WHEREFORE, Plaintiff demands Judgment in its favor and against the Defendant in a principal amount in excess of \$162,500.00, together with interest thereon and all costs herein.

AS AND FOR A FIFTH CAUSE OF ACTION

30. The Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 29 hereinabove with the same force and effect as though fully set forth herein.

31. On or about November 1, 1983, the Plaintiff contacted the Defendant and offered to sell on behalf of the Defendant to CARLOS BERNITT in Ecuador, 120,000 metric tons of prilled urea, at the rate

of \$136.00 per metric ton, in twelve (12) shipments, in bulk. A true and correct copy of said offer is attached hereto, made part hereof, and labelled "Plaintiff's Exhibit M".

32. That the Defendant never responded to Plaintiff's offer, giving various excuses for its failure to do so, but subsequently sold said prilled urea to CARLOS BERNITT, thereby depriving the Plaintiff of profits that it would have made on the transaction of \$650,000.00, in breach of the trust that Plaintiff reposed upon the Defendant.

33. That the Plaintiff, through its efforts and in engaging in the business of obtaining foreign sources for the purchase and sale of commodities and materials, has established advantageous business relationships with certain parties and contacts of the Plaintiff and established principal agent relationships with certain parties and contacts of the Plaintiff in order to facilitate the purchase and sale of commodities and materials.

34. That the Defendant, in its dealings with the Plaintiff, had verbally agreed that where the Plaintiff had established the prices to be paid by third parties for certain commodities and for which the third parties would sell certain commodities, that the Defendant would not reveal to those parties and contacts of the Plaintiff the financial arrangements existing between the Defendant and the Plaintiff since to do so would naturally cause those parties to wish to deal directly with the Defendant.

35. The Defendant further verbally agreed that where the Plaintiff advised the Defendant as to its agent representing the Plaintiff in certain foreign countries and the sources of the supplies and the markets of the Plaintiff, that it would only deal with those parties through the Plaintiff as to any and all purchases and sales.

36. That the Defendant willfully, wrecklessly and with intent to harm the Plaintiff and to destroy the advantageous business relationship that existed between those third parties and the Plaintiff, and the Plaintiff and the Plaintiff's agents, dealt directly with those parties and agents, revealed the financial arrangements existing between the Plaintiff and the Defendant and destroyed the advantageous

business relationship that existed between the Plaintiff and third parties.

37. Defendant further exerted every effort to cause said third parties, including but not limited to CARLOS BERNITT, and the third party's agents to no longer deal with the Plaintiff and to only deal with the Defendant, all in an effort to destroy, and did destroy Plaintiff's advantageous business relationships with those parties and agents who caused the Plaintiff to suffer great damages.

WHEREFORE, Plaintiff demands compensatory damages in an amount in excess of \$1,000,000.00 and punitive damages in an amount in excess of \$1,000,000.00.

AS AND FOR A SIXTH CAUSE OF ACTION

38. The Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 37 hereinabove with the same force and effect as though fully set forth herein.

39. That there existed between the Plaintiff and the Defendant a relationship of trust and confidence.

40. That the Plaintiff relied upon the representations of the Defendant, made in the fall of 1983, that the Defendant would not deal directly with said third parties and contacts of the Plaintiff without Plaintiff's consent, and that the Defendant would not reveal to said third parties and contacts of the Plaintiff the financial arrangements that existed between the Plaintiff and the Defendant and in all future dealings with said third parties, the Defendant would deal exclusively through the Plaintiff.

41. That the representations made by the Defendant to the Plaintiff were false and fraudulent at the time they were made by the Defendant and were made with intent to defraud the Plaintiff and were made willfully, wantonly and wrecklessly and in order to induce the Plaintiff to reveal to the Defendant the sources of its supplies and markets, as well as its agents in foreign countries.

42. That the Plaintiff relied upon said representations, to its detriment, in that the Defendant revealed to third parties the financial arrangements existing between the Plaintiff and Defendant

and in order to by-pass the Plaintiff, dealt directly with the third parties and contacts of the Plaintiff, not even advising the Plaintiff as to transactions that had been consummated between the Plaintiff and third parties wherein Plaintiff was to receive compensation.

43. In addition, in order to cause the Plaintiff to rely on the fact that transactions that had been entered into between the Plaintiff and the Defendant were in the process of being completed, the Defendant embarked upon the process of obtaining bank Letters of Credit which the Defendant knew would not be acceptable to third parties so that the Plaintiff would be discredited in the eyes of its customers and contacts, thereby facilitating the ability of the Defendant to deal directly with those parties in future transactions. As a result of the fraudulent representations made by the Defendant to the Plaintiff, the Plaintiff has been damaged in an amount in excess of \$1,000,000.00.

WHEREFORE, Plaintiff demands compensatory damages in an amount in excess of \$1,000,000.00 and punitive damages in an amount in excess of \$1,000,000.00.

AS AND FOR A SIXTH CAUSE OF ACTION

44. The Plaintiff repeats and reiterates each and every allegation set forth in Paragraphs 1 through 43 hereinabove with the same force and effect as though fully set forth herein.

45. The Defendant, RICARDO MOSQUERA, is a resident of Venezuela and has, at all times hereinafter mentioned, been doing business in the State of Florida.

46. The Defendant, SEARS WORLD TRADE, INC., recognizing its obligation to pay \$243,000.00 in commissions pertaining to a transaction entered into by it with the Plaintiff pertaining to the purchase of 1,800 metric tons of 99.7 heavy aluminum coils, rendered payment to the Plaintiff, RICHARD SWAEBE, INC., on account, in the sum of \$121,500.00.

47. Under the pretext that there were conflicting claims made to the Defendant, SEARS WORLD TRADE, INC., by the Defendant, RICARDO MOSQUERA, as to where the \$121,500.00 balance should be paid, the Defendant, SEARS WORLD TRADE, INC., through its Senior Counsel, SIMEON M. KRISBERG, on January 13th, 1984, wrote on behalf of the Defendant to the Plaintiff and stated on behalf of the Defendant, SEARS WORLD TRADE, INC., and agreed that it would render payment of said \$121,500.00 balance upon written instructions from the Plaintiff and RICARDO MOSQUERA as to how the balance should be paid, a true and correct copy of said letter is attached hereto, made part hereof, and labelled "Plaintiff's Exhibit N".

48. Pursuant to said letter (Plaintiff's Exhibit N), the Plaintiff and RICARDO MOSQUERA wrote to the Defendant, SEARS WORLD TRADE, INC., to send a check made payable to the Plaintiff's attorney, MURRAY B. WEIL, JR., and to the attorney for RICARDO MOSQUERA, in the amount of \$121,500.00 with regard to said transaction, a true and correct copy of which letter is attached hereto, made part hereof, and labelled "Plaintiff's Exhibit O".

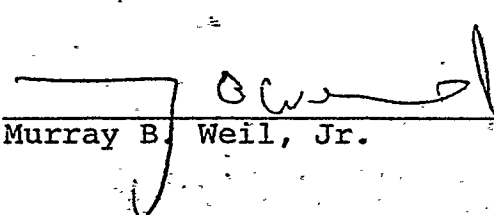
49. Thereupon, in direct violation of said agreement, and while fully aware of the other claims that had been asserted by the Plaintiff, RICHARD SWAEBE, INC., against the Defendant, SEARS WORLD TRADE, INC., the Defendant, SEARS WORLD TRADE, INC., on September 10th, 1984, tendered the check in the amount of \$121,500.00 not only in settlement of the commission due by the Defendant, SEARS WORLD TRADE, INC., on the transaction referred to in Paragraph 46 hereinabove, but in full settlement of all claims of the Plaintiff against the Defendant, SEARS WORLD TRADE, INC., a true and correct copy of the letter tendering payment by the attorney for Defendant, SEARS WORLD TRADE, INC., is attached hereto, made part hereof and labelled "Plaintiff's Exhibit P".

50. On or about September, 1984, the check received from the Defendant, SEARS WORLD TRADE, INC., was returned to the said Defendant since the conditions imposed by the Defendant for depositing same directly violated the written agreement as evidenced by the Defendant's letter of January 13th, 1984.

51. The Defendant, RICARDO MOSQUERA, is joined as a Defendant in this lawsuit for the purposes of enforcing this agreement as to the funds that are the subject matter of this cause of action since the Defendant, RICARDO MOSQUERA may be an indispensable party hereto, and the Plaintiff has no authority to act on behalf of the Defendant, RICARDO MOSQUERA.

WHEREFORE, the Plaintiff, RICHARD SWAEBE, INC., demands Judgment against the Defendant, SEARS WORLD TRADE, INC., in the amount of \$121,500.00 together with interest thereon and all costs herein, and that the rights of RICARDO MOSQUERA to these funds be determined herein or that the Court enter an Order requiring the Defendant, SEARS WORLD TRADE, INC., to perform its agreement in accordance with the Plaintiff, RICHARD SWAEBE, INC., and RICARDO MOSQUERA as set forth in this cause of action, and pay over said \$121,500.00 in accordance with the said agreement and without attaching any preconditions thereto.

LAW OFFICES OF MURRAY B. WEIL, JR., P.A.
Attorneys for Plaintiff
1666 79th Street Causeway, Suite 608
Miami Beach, Florida 33141
Telephone: (305) 864-2369

BY: 
Murray B. Weil, Jr.

JTI GR (SWAEBE:M)440335+

441582 TLX SUC

08 15 1533

440335 SNTWDC UI

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GA

ATTN: ANDREW LUBIN

DIRECTOR RAW MATERIALS

TO: SEARS WORLD TRADE

FROM: RICHARD SWAEBE INC.
MIAMI, FLORIDA U.S.A.

PROFORMA INVOICE NO. 81583-2

QUANTITY: 90 METRIC TONS ALUMINUM INGOTS ALLOY 3105

QUALITY: ALUMINUM INGOTS, ALLOY 3105

DESCRIPTION: ALUMINUM INGOTS 350 KILOS EACH

UNIT PRICE: USD 1340.00 PER METRIC TON F.O.B. PUERTO CABELLO,
VENEZUELA

TOTAL PRICE: USD 120,600.00

TERMS OF PAYMENT: L/C IRREVOCABLE, TRANSFERABLE, DIVISIBLE,
CONFIRMED.

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD.
2. PERFORMANCE BOND SUPPLIED BY PRODUCER. THE ISSUING INSURANCE COMPANY LATINOAMERICANA DE SEGUROS C.A. OR INTERCONTINENTAL BONDER C.A. WILL PROVIDE PERFORMANCE BOND (YOUR CHOICE).
3. TERMS AND STIPULATIONS TO BE AGREED UPON. YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NUMBER OF PIECES, GROSS WEIGHT AND NAME OF PROPOSED VESSEL. SHIPPING DATE NEEDS TO BE NEGOTIATED AS SPECIFICALLY OUTLINED WITH AVAILABILITY WITH VESSEL.

DELIVERY: FOB PUERTO CABELLO 30 DAYS AFTER RECEIPT OF L/C.

PERFORMANCE BOND: ALUMINUM PRODUCER WILL SUPPLY 5 0/0 PERFORMANCE BOND IN BEHALF OF AND ACCEPTABLE BY SEARS WORLD TRADE. PERFORMANCE BOND WILL PROVIDE GUARANTEES FOR QUANTITY, QUALITY, DELIVERY TIME.

RICHARD SWAEBE INC WILL REQUIRE ISSUANCE OF PURCHASE CONTRACT BETWEEN SEARS WORLD TRADE AND RICHARD SWAEBE INC. THIS CONTRACT WILL CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS WITHIN LETTER OF CREDIT.

REGARDS

RICHARD SWAEBE, PRESIDENT

RICHARD SWAEBE INC.

TELF: (305) 379-2438

TLX: 4997476 SWAEBE

440335 SNTWDC UI

441582 TLX SUC

1538537 005.00

PLAINTIFF'S EXHIBIT "A"

① 771 GA (SWAEBE:W)440335+

441582 TLX SVC
08 17 1725
440335 SNTWDC UI

GA
ATN ANDREW LUBIN
DIRECTOR RAW MATERIALS

TO: SEARS WORLD TRADE, INC.

FROM : RICHARD SWAEBE, INC.
MIAMI, FLORIDA U.S.A.

PROFORMA INVOICE NO. 81783-1

QUANTITY: 1,800 METRIC TONS ALUMINUM ROLLS
DESCRIPTION: ALUMINUM ROLLS, WIDTH 158 MM GAUGE 12MM, WEIGHT 500-600
KILOS EACH (ALUMINUM SOURCE ALCASA 99.7%).
QUALITY: ALUMINUM ROLLS 99.7
UNIT PRICE: USD 1,585.00 PER M/T FOB PUERTO CABELLO, VENEZUELA
TOTAL: USD 2,853,000.00

TERMS OF PAYMENT: IRREVOCABLE, TRANSFERABLE, DIVISIBLE, CONFIRMED,
FLOATING L/C.

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD ON MONTHLY BASIS.
2. PERFORMANCE BOND SUPPLIED BY PRODUCER. THE ISSUING INSURANCE COMPANY LATINO AMERICANA DE SEGUROS C.A. OR INTERCONTINENTAL BONDER C.A. WILL PROVIDE PERFORMANCE BOND (YOUR CHOICE)
3. TERMS AND STIPULATIONS TO BE AGREED UPON: YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NO. OF PIECES, GROSS WEIGHT AND NAME OF PROPOSED VESSEL. SHIPPING DATES NEED TO BE NEGOTIATED AS SPECIFICALLY OUTLINED WITH AVAILABILITY WITH VESSELS.

DELIVERY: FOB PUERTO CABELLO (FIRST SHIPMENT BEGINNING SECOND WEEK NOVEMBER 1983, ACCORDING TO YOUR SHIPPING SCHEDULE). 300 M. TONS PER MONTH FOR 6 MONTHS FOR TOTAL OF 1800 M/T.

PERFORMANCE BOND: ALUMINUM PRODUCER WILL SUPPLY 5 0/0 PERFORMANCE BOND IN BEHALF OF AND ACCEPTABLE BY SEARS WORLD TRADE, PERFORMANCE BOND WILL PROVIDE GUARANTEES FOR QUANTITIES, QUALITY, DELIVERY TIME.

RICHARD SWAEBE INC WILL REQUIRE ISSUANCE OF PURCHASE CONTRACT BETWEEN SEARS WORLD TRADE AND RICHARD SWAEBE INC. THIS CONTRACT WILL CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS WITHIN L/C.

BEST REGARDS
RICHARD SWAEBE, PRESIDENT
RICHARD SWAEBE, INC.
4997476 SWAEBE +
440335 SNTWDC UI

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AUG 15 1971
441582 TLX SVC

17M:71 IN 15/15:37 OUT 15/15:40

440535 SWTWDC UI

ATTN: MR. RICHARD SWAEBE

REF: YOUR PROFORMA INVOICE NO. 115-2

WE ARE PLEASED TO CONFIRM OUR PURCHASE ORDER PL 1002 FOR 90 MT AA 3103 ALUMINUM ALLOY INGOTS.

ALL ITEMS/CONDITIONS PER YOUR PROFORMA INVOICE NO. 115-2 ACCEPTABLE

VERY PLEASED TO CONFIRM THIS INITIAL BUSINESS WITH YOU.

OUR FORMAL PURCHASE CONTRACT TO FOLLOW SHORTLY VIA MAIL. *(over Sept)*

BEST REGARDS,
ANDREW LUBIN
BEARS WORLD TRADING, INC.

440535 SWTWDC UI

440535 SWTWDC UI

441582 TLX SVC.....

AUG 19 1963 1531

441582 TLX SVCSN

EXY277 IN 19/15:22 OUT 19/15:52

440335 SWTWDC UI

URGENT

ATTN: MR. RICHARD SWANE

RE: YOUR PROFORMA INVOICE NO. 81713-1

WE ARE VERY PLEASED TO ACCEPT THIS PROFORMA INVOICE FOR 1,000 MT
OF 99.7 PCT MIN ALU IN ROLL FORM.

YOUR TERMS AND CONDITIONS AS SPECIFIED IN YOUR PROFORMA INVOICE
ARE ACCEPTABLE TO US.

PLEASE ADVISE US OF THE LC ROUTING AND FORMAT AND WE WILL OPEN
OUR LC PROMPTLY.

OUR FORMAL P.O. PL 1004 TO FOLLOW.

BEST REGARDS,

ANDREW LUBIN

SEARS WORLD TRADE INC.

440335 SWTWDC UI

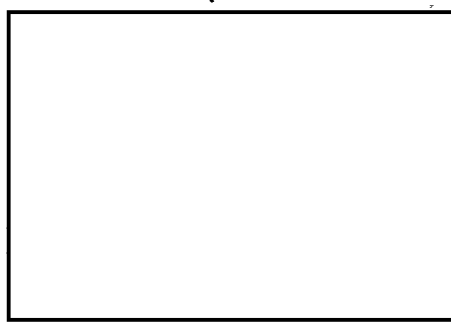
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GA

ATTN: ANDREW LUBIN
DIRECTOR RAW MATERIALS

TO: SEARS WORLD TRADE

FROM: RICHARD SWAEBE INC.
MIAMI, FLORIDA U.S.A.

PROFORMA INVOICE NO. 91593-1

QUANTITY: 10,000 METRIC TONS ALUMINUM INGOTS
DESCRIPTION: ALUMINUM INGOTS, 350 KILOS EACH
QUALITY: ALUMINUM INGOTS 99.0 - 99.3 PURE
UNIT PRICE: USD 1,320. PER METRIC TON F.O.B. PUERTO CABELLO,
VENEZUELA

TOTAL PRICE: USD 13,200,000.00

TERMS OF PAYMENT: IRREVOCABLE, TRANSFERABLE, DIVISIBLE, CONFIRMED,
FLOATING LETTER OF CREDIT.

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD ON MONTHLY BASIS.
2. L/C TO AUTHORIZE ADVANCED PAYMENT. (THE PRODUCER REQUIRES ADVANCED PAYMENT EQUALING 5 0/0 OF THE NET COST PER SHIPMENT. THIS AMOUNT WILL BE GUARANTEED BY THE PERFORMANCE BOND. THE ISSUING INSURANCE COMPANY (YOUR CHOICE) LATINO AMERICANA DE SEGUROS C.A. OR INTERCONTINENTAL BONDER C.A. WILL PROVIDE 10 SEPARATE PERFORMANCE BONDS COINCIDING WITH EACH SHIPMENT).
3. TERMS AND STIPULATIONS TO BE AGREED UPON. YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NUMBER OF PIECES, GROSS WEIGHT AND NAME OF PROPOSED VESSEL. SHIPPING DATES NEED TO BE NEGOTIATED AS SPECIFICALLY OUTLINED WITH AVAILABILITY WITH VESSELS.

DELIVERY: FOB PUERTO CABELLO (FIRST SHIPMENT BETWEEN 60 - 90 DAYS

DELIVERY: FOB PUERTO RICO (FIRST SHIPMENT BETWEEN 60 - 90 DAYS
ACCORDING TO YOUR SHIPPING SCHEDULE)

1,000 TON 90 DAYS AFTER RECEIPT OF L/C (FIRST MONTH DELIVERY)
1,000 TON 120 DAYS AFTER RECEIPT OF L/C (SECOND MONTH DELIVERY)
1,000 TON 150 DAYS AFTER RECEIPT OF L/C (THIRD MONTH DELIVERY)
1,000 TON 180 DAYS AFTER RECEIPT OF L/C (FOURTH MONTH DELIVERY)
1,000 TON 210 DAYS AFTER RECEIPT OF L/C (FIFTH MONTH DELIVERY)
1,000 TON 240 DAYS AFTER RECEIPT OF L/C (SIXTH MONTH DELIVERY)
1,000 TON 270 DAYS AFTER RECEIPT OF L/C (SEVENTH MONTH DELIVERY)
1,000 TON 300 DAYS AFTER RECEIPT OF L/C (EIGHTH MONTH DELIVERY)
1,000 TON 330 DAYS AFTER RECEIPT OF L/C (NINTH MONTH DELIVERY)
1,000 TON 360 DAYS AFTER RECEIPT OF L/C (TENTH MONTH DELIVERY)

PERFORMANCE BOND: ALUMINUM PRODUCER WILL SUPPLY 5 0/0 PERFORMANCE
BOND IN BEHALF OF AND ACCEPTABLE BY SEARS WORLD TRADE. PERFORMANCE
BOND WILL PROVIDE GUARANTEES FOR QUANTITY, QUALITY, DELIVERY TIME,
AND ADVANCED PAYMENT.

RICHARD SHAEBE INC WILL REQUIRE ISSUANCE OF PURCHASE CONTRACT BETWEEN
SEARS WORLD TRADE AND RICHARD SHAEBE INC. THIS CONTRACT WILL
CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS WITHIN
LETTER OF CREDIT.

REGARDS

RICHARD SHAEBE, PRESIDENT

RICHARD SHAEBE INC.

TLF: (305) 379-2438

TLX: 4997476 SHAEBE

+

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441582 TLX SVC

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440353 INTWDC UI

ATTN: MR. RICHARD SWAEBE

REF: YOUR PROFORMA INVOICE NO. S1553-1

WE ARE VERY PLEASED TO ACCEPT YOUR PROFORMA INVOICE NO. S1553-1 FOR
10,000 MT OFF-GRADE ALUMINUM INGOTS.

SHIPPING TERMS/CONDITIONS/DELIVERY AS PER YOUR PROFORMA IS ACCEPTABLE
TO US.

PLS. ADVISE US THE BANK AND ROUTING YOU REQUIRE FOR THE LC, WHICH WE
WILL OPEN IMMEDIATELY.

WE ARE PLEASED TO HAVE CONCLUDED THIS TRANSACTION WITH YOU.

OUR FORMAL P.O. PL-1003 TO FOLLOW SHORTLY.

BEST REGARDS,

ALUMINUMIA

ALUMINUMIA, INC.

44, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

WASHINGTON, D.C.

AT 11:20 BY: [initials]
ON 8/16 MSG TO BE: mail

440355 11:10

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441582 TLX SVC.....

Plaintiff's Exhibit E-1

CELS
#3

10-25-83 15:14

ITT GA 440335 SWTH+*
441359 RSI UI

10 25 1514
440335 SWTH DC

GA

S.W.T
ATT:ANDREW LUBIN

PROFORMA INVOICE NO,102583-1

QUANTITY: 10,000 METRIC TONS ALUMINUM INGOTS
DESCRIPTION: ALUMINUM INGOTS, 10 0/0-10 KILO INGOTS,
90 0/0-50 KILO INGOTS
QUALITY: ALUMINUM INGOTS 99.7 (ALCASA MATERIAL)
UNIT PRICE: USD 1,550.00 PER METRIC TON F.O.B. MARACAIBO, VENEZUELA
TOTAL PRICE: USD 15,500,000
TERMS OF PAYMENT: IRREVOCABLE, TRANSFERABLE, DIVISIBLE, CONFIRMED
LETTER OF CREDIT

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD.
2. TERMS AND STIPULATIONS TO BE AGREED UPON. YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NUMBER OF PIECES, GROSS WEIGHT, AND NAME OF PROPOSED VESSEL.

DELIVERY: F.O.B. MARACAIBO DECEMBER 15, 1983

10,000 M/T'S (ONE SHIPMENT)

RICHARD SWAEBE INC WILL REQUIRE THE ISSUANCE OF PURCHASE CONTRACT BETWEEN SEARS WORLD TRADE AND RICHARD SWAEBE INC. THIS CONTRACT WILL CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS WITHIN L/C.

RICHARD SWAEBE INC IS ACTING AS AGENT BROKER FOR IDIPROCA, MARACAIBO, VENEZUELA.

R.S.I. WILL NEGOTIATE ALL INSTRUMENTS THROUGH FIRST CHICAGO BANK IN MIAMI

IDIPROCA'S BANKERS WILL BE BANCO DEL ZULIA, C.A., MARACAIBO

REGARDS,
RICHARD SWAEBE, INC.
RICHARD SWAEBE, PRESIDENT

*
440335 SWTH DC

441359 RSI UI

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ITT 3A 25 440335++
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NP RETRYING HP RETRYING
MDM-ALL OPERATORS BUSY

ITT TLX DPR 1 UI

440335 SVT 00

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PROFORMA INVOICE NO. 101983-1

QUANTITY: 2000 METRIC TONS ALUMINUM INGOTS
DESCRIPTION: ALUMINUM INGOTS, 10-0/0-10 KILG INGOTS,
99 0/0-50 KILG INGOTS
QUALITY: ALUMINUM INGOTS 99.7 00 PURE
UNIT PRICE: USD 1,585 PER METRIC TON F.O.B. PUERTO CABELLO,
VENEZUELA
TOTAL PRICE: USD 3,170,000.00
TERMS OF PAYMENT: IRREVOCABLE, TRANSFERABLE, DIVISIBLE, CONFIRMED,
REVOLVING LETTER OF CREDIT.

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD ON MONTHLY BASIS.
2. TERMS AND STIPULATIONS TO BE AGREED UPON. YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NUMBER OF PIECES, GROSS WEIGHT AND NAME OF PROPOSED VESSEL. SHIPPING DATES NEED TO BE NEGOTIATED AS SPECIFICALLY OUTLINED WITH AVAILABILITY WITH VESSELS.

DELIVERY: F.O.B. PUERTO CABELLO (FIRST SHIPMENT BETWEEN 40 - 60 DAYS ACCORDING TO YOUR SHIPPING SCHEDULE).

1,000 TON 40 DAYS AFTER RECEIPT OF L/C (1ST MO. DEL.)

1,000 TON 80 DAYS AFTER RECEIPT OF L/C (2ND MO. DEL.)

RICHARD SWAE3E INC WILL REQUIRE ISSUANCE OF PURCHASE CONTRACT BETWEEN SEARS WORLD TRADE AND RICHARD SWAE3E. INC. THIS CONTRACT WILL CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS WITHIN LETTER OF CREDIT.

RICHARD SWAE3E, INC. IS ACTING AS AGENT/BROKER FOR IDIPROCA, MARACAYO, VENEZUELA.

RICHARD SWAE3E, INC. WILL NEGOTIATE ALL INSTRUMENTS THROUGH FIRST CHICAGO BANK IN MIAMI.

IDIPROCA'S BANKERS WILL BE AT THEIR OPTION BANCO DEL ZULIA, C.A OR BANCO AGRO-INDUSTRIAL, C.A., MARACAYO.

REGARDS,
RICHARD SWAE3E, INC.
RICHARD SWAE3E
PRESIDENT
305-379-2438

MP

V

BEST AVAILABLE COPY

#2

ITT GA *

441359 RSI UII.IV

ITT GA V

ITT GA 25440335++

441359 RSI UI

10 20 1211

NP RETRYING NP RETRYING M

ITT GA 440335++

441359 RSI UI

10 20 1212

440335 SJEN DC

GA

PROFORMA INVOICE NO. 101983-2

QUANTITY: 1000 METRIC TONS ALUMINUM INGOTS

DESCRIPTION: ALUMINUM INGOTS, 10 0/0-10 KILO INGOTS,
90 0/0-50 KILO INGOTS

QUALITY: ALUMINUM INGOTS 99.0-99.3

UNIT PRICE: USD 1,320.00 PER METRIC TON F.O.B. MARACAIBO
VENEZUELA

TOTAL PRICE: USD 1,320,000

TERMS OF PAYMENT: IRREVOCABLE, TRANSFERABLE, DIVISIBLE, CONFIRMED,
REVOLVING LETTER OF CREDIT.

1. L/C TO AUTHORIZE 10 DAY DELIVERY GRACE PERIOD ON MONTHLY BASIS.
2. TERMS AND STIPULATIONS TO BE AGREED UPON. YOU WILL BE PROVIDED WITH A CLEAN DOCK RECEIPT AUTHENTICATED BY ANY PORT REPRESENTATIVE OF YOUR CHOICE STATING NUMBER OF PIECES, GROSS WEIGHT AND NAME OF PROPOSED VESSEL. SHIPPING DATES NEED TO BE NEGOTIATED AS SPECIFICALLY OUTLINED WITH AVAILABILITY WITH VESSELS.

DELIVERY: F.O.B. MARACAIBO (FIRST SHIPMENT BETWEEN 40 - 60
DAYS ACCORDING TO YOUR SHIPPING SCHEDULE).

300 TON 40 DAYS AFTER RECEIPT OF L/C (1ST MO. DEL.)

300 TON 80 DAYS AFTER RECEIPT OF L/C (2ND MO. DEL.)

300 TON 120 DAYS AFTER RECEIPT OF L/C (3RD MO. DEL.)

RICHARD SWAEZE INC WILL REQUIRE ISSUANCE OF PURCHASE CONTRACT
BETWEEN SEARS WORLD TRADE AND RICHARD SWAEZE, INC. THIS CONTRACT
WILL CORRESPOND WITH AGREED UPON STIPULATIONS AND REQUIREMENTS
WITHIN LETTER OF CREDIT.

RICHARD SWAEZE, INC. IS ACTING AS AGENT/BROKER FOR IDIPROCA,
MARACAIBO, VENEZUELA.

RICHARD SWAEZE, INC. WILL NEGOTIATE ALL INSTRUMENTS THROUGH
FIRST CHICAGO BANK IN MIAMI.

IDIPROCA'S BANKERS WILL BE AT THEIR OPTION BANCO DEL
ZULIA, C.A OR BANCO AGRO-INDUSTRIAL, C.A., MARACAIBO.

REGARDS,

RICHARD SWAEZE, INC.

RICHARD SWAEZE

PRESIDENT

305-379-2438

MOST URGENT-----DEEL ROUND TRIP TICKET AND INDEX KEYED TO LME

RSI

441359 RSI UI+

440335 SWTJ DC

M.....

1210EDT 006.20

ITT GA TO

PLAINTIFF'S EXHIBIT "H"

10-25-83 15:38

OCT 25 1983 1538*
441359 RSL U1

ATTN: MR. DICK SWAEBE

CC: DR. RICARDO MOSQUERA

REF: YOUR PROFORMA INVOICE NO. 101983-1
2000 MT 99.7 INGOTS EX ALCASA

PLEASED TO ACCEPT THIS PROFORMA AT USD 1550.00/MT FOB ST MARACAIBO.
FORMAL CONTRACT TO FOLLOW.

REF: YOUR PROFORMA INVOICE NO. 101983-2
1000 MT 99.0-99.3 INGOT, EX IDIPROCHA

PLEASED TO ACCEPT THIS PROFORMA AT USD 1320.00/MT FOB ST MARACAIBO.
FORMAL CONTRACT TO FOLLOW.

REF: PROFORMA INVOICE

SOLD TO: CARLOS BERNITT - ECUADOREAN FERTILIZER BOARD

MATERIAL: UREA, 46 PCT MIN NITROGEN, IN BULK

SHIPMENT: 25,000 MT, IN SHIPMENTS OF APPROX 12,500 MT, STARTING
DECEMBER 1983.

DELIVERY: C AND FFO GUAYAQUIL

PRICE: USD 136.00/METRIC

PAYMENT: IRREVOCABLE LETTER OF CREDIT PAYABLE AT SIGHT AGAINST
USUAL SHIPPING DOCUMENTS, CONFIRMED BY A FIRST-CLASS
NEW YORK BANK.

LOOKING FORWARD TO YOUR CONFIRMATION.

RGCS, ANDY LOSIN

NOTE: CC OF THIS TLX WAS NOT RECEIVED BY DR. MOSQUERA--I SENT TLX
TO TIMETRAH FOR THEM TO SEND IT, AND GOT MESSAGE BACK SAYING
UNABLE TO DELIVER, POSSIBLE WRONG NUMBER.

441359 RSL U1

440335 SWIW DC

REPLY VIA ITT

Richard Swaebe, Inc.

October 13, 1983

Tom Cundy
Suite 300
Intracoastal Building
3000 N.E. 30th Place
Ft. Lauderdale, Florida 33306

Dear Tom:

Please regard this communication as our Pro Forma invoice.

PRO FORMA INVOICE
#101383

DESCRIPTION: Prilled uria (bagged)

SPECS: 1) Nitrogen - 46 percent min.
2) Bicref - 1 percent max.
Formaldehyde treated.

PRICE: F.O.B. Caribbean Port - \$121.00
C&F Equador - \$136.00
(free out)

PAYMENT TERMS: Irrevocable, confirmed,
transferable, divisible, L.C.

VALIDITY: October 20, 1983

Tom, I suggest that you make arrangements to purchase the above in bulk and that you pack this material in Equador. If you choose to follow that route, I believe we can save you some additional money.

I would like to offer the following:

As you, obviously, have excellent connections in Equador, I am interested in registering a major U.S. corporation with the Equadorian government (Ministry of Petroleum). I am in a position to make major petroleum purchases on a regular basis. I believe that this may be of some interest to you. Also, I am interested in making quantity purchases of cocoa beans, cocoa butter, cocoa cake, along with substantial quantities of various types of sugar. If you feel that you have the ability to establish a relationship between myself and either government or private entities, I am available for immediate negotiations for all of the items mentioned above.

J.D. Building Suite 1500 14 N.E. 1st Avenue Miami, Florida 33132

(305) 379-2438 Telex: 4997476 SWACREMIJA

International Trade

Richard Swaebe, Inc.

Tom Cundy
Ft. Lauderdale, Florida
October 13, 1983
Page 2

I am also in a position to make major purchases in other areas, such as, metals, chemicals, raw materials, food stuffs, and petroleum related products.

In addition, I would like to offer any of the above mentioned categories for sale, as well as counter trade.

I look forward to your response. I can be reached at my office or at my residence.

Home#: 854-4952

Sincerely,

RICHARD SWAEBE, INC.

Richard Swaebe
President

RS:hb

7 D B Building / Suite 1300 / 14 N.E. 1st Avenue / Miami, Florida 33132

(305) 379-2438 / Telex: 4997476 SWAEBEPIA

Diamond Dealer Club

American Gem Trade Association

Diamond Trade Association

IN THE CIRCUIT COURT OF THE 11TH JUDICIAL CIRCUIT
IN AND FOR DADE COUNTY, FLORIDA.

GENERAL JURISDICTION DIVISION

RICHARD SWAEBE, INC., a Florida corporation,	:	CASE NO. <u>84-44203</u> CA (17)
Plaintiff,	:	Florida Bar No. 085688
v.	:	
SEARS WORLD TRADE, INC., a Delaware corporation, and RICARDO MOSQUERA,	:	ANSWER TO AMENDED COUNTERCLAIM AND CROSSCLAIM
Defendants,	:	
RICARDO MOSQUERA,	:	
Defendant/Counter- Plaintiff/Crossclaimant,	:	
v.	:	
RICHARD SWAEBE, INC., a Florida corporation, and SEARS WORLD TRADE, INC., a Delaware corporation,	:	
Counter-Defendants/ Cross-Defendants.	:	

The Plaintiff, RICHARD SWAEBE, INC., a Florida corporation,
by and through its undersigned attorneys, files its Answer to the
Amended Counterclaim and Crossclaim of RICARDO MOSQUERA, and alleges
as follows:

1. It admits the allegations contained in Paragraphs 1.
through 4. of the Crossclaim of the Defendant, RICARDO MOSQUERA.
2. It denies the allegations contained in Paragraphs 5. and
6. of said Crossclaim.
3. As and for its answer to Paragraph 7. of said Crossclaim,
it repeats and reiterates its answers to Paragraphs 1. through 6.
4. It admits the allegations contained in Paragraphs 8.
through 11. of Defendant's Crossclaim.
5. It denies the allegations contained in Paragraphs 12. and
13. of the Crossclaim of the Defendant.

6. As and for its answer to Paragraph 14. of said Crossclaim, the Plaintiff repeats and reiterates its answers to Paragraphs 1. through 6.

7. It denies the allegations contained in Paragraphs 15. through 23. of Count II of said Crossclaim and demands strict proof thereof.

8. As and for its answer to Paragraph 24. of said Crossclaim, it repeats and reiterates its answers to Paragraphs 1. through 6.

9. It denies the allegations contained in Paragraphs 25. through 27. of Count III of said Crossclaim.

WHEREFORE, having fully answered the Crossclaim of the Defendant, RICARDO MOSQUERA, the Plaintiff prays that same be dismissed at the cost of the Defendant.

I HEREBY CERTIFY that a true and correct copy of the above and foregoing Answer To Amended Counterclaim and Crossclaim was mailed to RODNEY W. BRYSON, ESQ., LAW OFFICES OF BRYSON & BERMAN, P.A., Attorneys for Defendant, RICARDO MOSQUERA, Suite 219, 8525 N.W. 53rd Terrace, Miami, Florida 33166-4521, and to VANCE E. SALTER, ESQ., STEEL, HECTOR & DAVIS, Attorneys for Defendant, SEARS WORLD TRADE, INC., 4000 Southeast Financial Center, 200 South Biscayne Blvd., Miami, Florida 33131-2398, this 5TH day of November, 1985.

MURRAY B. WEIL, JR., P.A.
Attorneys for Plaintiff,
RICHARD SWAEBE, INC.,
1666-79th Street Causeway -
Suite 608
Miami Beach, FL 33141
Phone: (305) 864-2369

BY: Murray B. Weil, Jr.

ITT World Communications
NY Reg. Serv. 7522/Int. 7550/Telex 7590
= ITT GE02393 43539++
44135 RSI UI
10 171705
3539 BICZA ED
GA

ATTN: CARLOS BERNITT

AS PER INSTRUCTIONS OF T. GUNDY, WE SUBMIT OUR OFFER OF UREA.

PRO-FORMA INVOICE
101383

DESCRIPTION: PRILLED UREA

SPECIFICATIONS: 46 0/0 NITROGEN, 1 0/0 MAX BICREF

PRICE: 136.00 US DOLLARS ^{C&F} F.O.B. FREE OUT

TERMS: LETTER OF CREDIT/ IRREVOCABLE, CONFIRMED, TRANSFERABLE

QUANTITY: 100,000 M/T -- 5,000 TO 10,000 PER MONTH

OFFER VALIDITY: OCT. 21, 1983

LARGER QUANTITIES ARE AVAILABLE WITH SHIPMENTS ON A MONTHLY BASIS.

THANK YOU FOR YOUR ATTENTION.

SINCERELY,
RICHARD SWAE32, INC.
RICHARD SWAE32
PRESIDENT
305-379-2438
.....
170750T 002.20

10-25-83 15:38

OCT 25 1983 1538*
441359 RSI UI

ATTN: MR. DICK SWAEBE

CC: DR. RICARDO MOSQUERA

REF: YOUR PROFORMA INVOICE NO. 101983-1
2000 MT 99.7 INGOTS EX ALCASA

PLEASED TO ACCEPT THIS PROFORMA AT USD 1550.00/MT FOB ST MARACAIBO.
FORMAL CONTRACT TO FOLLOW.

REF: YOUR PROFORMA INVOICE NO. 101983-2
1000 MT 99.0-99.3 INGOT, EX IDIPROCHA

PLEASED TO ACCEPT THIS PROFORMA AT USD 1320.00/MT FOB ST MARACAIBO.
FORMAL CONTRACT TO FOLLOW.

REF: PROFORMA INVOICE

SOLD TO: CARLOS BERNITT - ECUADOREAN FERTILIZER BOARD

MATERIAL: UREA, 46 PCT MIN NITROGEN, IN BULK

SHIPMENT: 25,000 MT, IN SHIPMENTS OF APPROX 12,500 MT, STARTING
DECEMBER 1983.

DELIVERY: C AND FFO GUAYAQUIL

PRICE: USD 136.00/METRIC

PAYMENT: IRREVOCABLE LETTER OF CREDIT PAYABLE AT SIGHT AGAINST
USUAL SHIPPING DOCUMENTS, CONFIRMED BY A FIRST-CLASS
NEW YORK BANK.

LOOKING FORWARD TO YOUR CONFIRMATION.

SGLS, ANDY LUEIN

NOTE: CC OF THIS TLX WAS NOT RECEIVED BY DR. MOSQUERA--I SENT TLX
TO TIMETRAM FOR THEM TO SEND IT, AND GOT MESSAGE BACK SAYING
UNABLE TO DELIVER, POSSIBLE WRONG NUMBER.

* 441359 RSI UI

440335 SWTW DC

REPLY VIA ITT

PLAINTIFF'S EXHIBIT "L"

11-01-83 10:23

ITT GA 440335+*
441359 RS1 U1

11 01 0925
440335 SWTH DC

GA

TO: SEARS WORLD TRADE
ATT: ANDREW LUBIN
FROM RICHARD SWAEBE INC.

RE: 25,000 M/T'S UREA.
ANDREW: I WILL BE RECEIVING A FORMAL CONFIRMATION FROM ECUADOR
AND THEY ARE NOW PREPARING THE L/C:

IN ADDITION TO SELLING THE 25,000 M/T OF BAGGED UREA I AM NOW
NEGOTIATING WITH ECUADOR TO SELL THE FOLLOWING.

UREA, --120,000 M/T DELIVERED AT 10,000 TONS PER MONTH FOR 12 MONTHS.

THEY WILL BE ISSUING US A L/C CONFIRMED BY A PRIME US BANK AS WITH
THE 1ST. BUSINESS WITH THEM.

WITH THAT IN MIND THEY WISH THE FOLLOWING TERMS REGARDING THE
120,000.

1. 20 0/0 PAYABLE AT SIGHT
2. 80 0/0 PAYABLE IN 120 DAY'S GIVING US INTEREST OF 14 0/0
3. THEY ARE WILLING TO PAY USD 136.00 C AND F/F0 AND ACCEPT THE 12
SHIPMENTS IN BULK.

I OFFER YOU A SIMILAR SITUATION AS WITH THE 25,000 M/T'S: TO
PARTICIPATE WITH RSI IN THIS BUSINESS OF 120,000 M/T'S.

I WOULD APPRECIATE HEARING FROM YOU ASAP AS THEY ARE ACTIVELY
SEEKING TO BUY WITHIN THE MARKET.

WE OF COURSE HAVE FIRST OPTION TO OFFER:

P.S. PLS INFORM INFO REGARDING BAG'S FOR 25,000 M/T ASAP

THANKS AND REGARDS
RICHARD SWAEBE, PRESIDENT
RICHARD SWAEBE INC.

RR... *
0928EST 003.40

6

SEARS WORLD TRADE, INC.

450 FIFTH STREET, N. W.
WASHINGTON, D. C. 20001

(202) 626-1600
TELEX 440335

January 13, 1984

Mr. Richard Swaebe
President
Richard Swaebe, Inc.
14 N.E. First Avenue, Suite 1500
Miami, Florida 33132

Dear Dick:

A copy of your telex of January 11 has been forwarded to me. You confirm that a letter of credit for \$121,500 has been opened by Sears World Trade in connection with the \$243,000 commission to be paid on our purchase of 1,800 metric tons of aluminum, as stated in my letter to you of December 30, 1983. You request that a letter of credit for the remaining \$121,500 be opened promptly.

We have been proceeding cautiously in this regard because we have received conflicting instructions. I understand from Andrew Lubin that Sears World Trade has received telexes from you requesting that the full \$243,000 be paid over to you. At the same time, I am told, we have received telexes from Ricardo Mosquera, your associate, requesting that half of the sum be paid directly to him. Sears World Trade has no intention of becoming entangled in whatever arrangements you and Mr. Mosquera have made with respect to this commission; we must have unambiguous instructions in order to proceed.

Please confer with Mr. Mosquera and mail us a letter signed by the two of you stating to whom the balance of the commission is to be paid. We will be able to move promptly upon receipt of this letter of clarification.

Sincerely yours,

Simon M. Kriesberg

Simon M. Kriesberg
Senior Counsel for
International Trade

cc: Frank C. Carlucci
Andrew J. Lubin
Dario J. Avello

PLAINTIFF'S EXHIBIT N

A SEARS ROEBUCK COMPANY

Sears World Trade, Inc.
Attn: Vance Salter, Esquire
Steel, Hector & Davis
100 South Biscayne Boulevard
14th Floor
Miami, Florida 33131

In Re: Richard Swaebe, Inc., Ricardo Mosquera -
Sears World Trade, Inc. P/o Aluminio
Guayana, C.A.

Gentlemen:

Please accept this joint letter of instructions regarding the balance of commission due and owing from Sears World Trade, Inc. to the undersigned on account of Sears' purchase of 1800 metric tons of 99.7% aluminum rods from Aluminio Guayana, C.A.

You are hereby requested and instructed to pay the balance of the commissions due and owing on account of the aforementioned transaction in a sum of U.S.\$121,500 by check payable jointly to Roberto Rodriguez-Sarabia, Esquire and Murray B. Weil, Jr., Esquire. Upon receipt and clearance of this check the undersigned acknowledge that Sears World Trade's obligations to the undersigned, jointly and severally, on account of the aforementioned transaction will be completely satisfied and paid in full.

Please forward payment forthwith, in accordance with the above instructions to the attention of Rodney Bryson, Esquire at 8525 N. W. 53rd Terrace, Suite 219, Miami, Florida 33166.

Yours very truly,

RICHARD SWAEBE, INC.

By: RICHARD SWAEBE, President

RICHARD SWAEBE

RICARDO MOSQUERA

NOTORIAL CERTIFICATE

STATE OF FLORIDA)
COUNTY OF DADE)§

BEFORE ME, the undersigned authority, personally appeared
RICHARD SWAEBE, individually and in his capacity as President of
RICHARD SWAEBE, INC., and he acknowledged before me that he executed
the foregoing instrument.

SWORN TO AND SUBSCRIBED before me this ____ day of July, 1984.

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

STATE OF FLORIDA)
COUNTY OF DADE)§

BEFORE ME, the undersigned authority, personally appeared
RICARDO MOSQUERA, and he acknowledged before me that he executed
the foregoing instrument.

SWORN TO AND SUBSCRIBED before me this ____ day of July, 1984.

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

Steel Hector & Davis
Miami, Florida

Vance E. Salter
(305) 577-2804

September 10, 1984

BY MESSENGER

Rodney W. Bryson, Esquire
Bryson and Berman, P.A.
Suite 219
8525 N.W. 53rd Terrace
Miami, FL 33166

Re: Swaebe/Mosquera/Sears World Trade

Dear Rodney:

Pursuant to the joint letter of instructions which accompanied your letter to me of August 17, 1984, I enclose Sears World Trade's check No. 004021, dated September 7, 1984, payable jointly to Roberto Rodriguez-Sarabia, Esquire and Murray B. Weil, Jr., Esquire for \$121,500.

The letter of instructions did not include a comprehensive release by Swaebe as against Sears World Trade, Inc. Rather than send everything back, my client placed a restrictive endorsement on the check providing that it is tendered in full satisfaction of any claims against Sears World Trade by Swaebe.

The check is tendered to you subject to that restriction, and is not to be endorsed or negotiated (but instead, is to be returned immediately to me) if that is not the intention of the parties.

Simeon Kriesberg, Sears World Trade's Senior Counsel for International Trade in Washington, has advised me that Swaebe has no claims against (and no transactions in progress with) Sears World Trade, but Sears World Trade's willingness to conclude the settlement arrangement is contingent upon confirmation of that by Swaebe (or his authorized agent/attorney, Mr. Weil).

PLAINTIFF'S EXHIBIT "P"

Miami Office
4000 Southeast Financial Center
Miami, Florida 33131-2398
(305) 577-2800

Palm Beach Office
Steel Hector Davis
Burns & Middleton
205 Worth Avenue
Palm Beach, Florida 33480

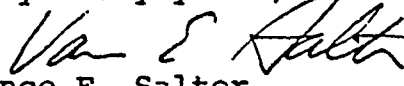
Tallahassee Office
320 Barnett Bank Building
315 South Calhoun Street
Tallahassee, Florida 32301

Steel Hector & Davis

Rodney W. Bryson, Esquire
September 10, 1984
Page Two

It has been a pleasure working with you on this, and
I am glad that the clients and lawyers were able to resolve
it without litigation. ,

Very truly yours,


Vance E. Salter

VES:Is

Enc.

cc: Simeon M. Kriesberg, Esq.

Murray B. Weil, Jr., Esq.

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT OF FLORIDA,
IN AND FOR DADE COUNTY

GENERAL JURISDICTION DIVISION

CASE NO. 84-44203 CA-17

RICHARD SWAEBE, INC.,
a Florida corporation,

Plaintiff,

vs.

ANSWER OF DEFENDANT, RICARDO MOSQUERA

SEARS WORLD TRADE, INC., a
Delaware corporation, and
RICARDO MOSQUERA,

Fla. Bar No. 154900

Defendants.

COMES NOW the Defendant, RICARDO MOSQUERA, and answers the
Complaint filed herein by the Plaintiff, RICHARD SWAEBE, INC., as
follows:

1. The allegations in paragraphs 1, 3, 4 and 5 are admitted.
2. MOSQUERA is without knowledge as to the allegations
contained in paragraphs 2 and 6 through 44, and demands strict proof
thereof.
3. MOSQUERA admits the allegations contained in paragraph 45.
4. Responding to the allegations contained in paragraph 46,
MOSQUERA admits that SEARS WORLD TRADE, INC. paid RICHARD SWAEBE,
INC. the sum of \$121,500.00 and further admits that SEARS WORLD TRADE,
INC. recognized that it owed \$243,000.00 in commissions pertaining
to the transaction alleged in paragraph 46, but MOSQUERA denies that
SEARS WORLD TRADE, INC. owed the balance of \$121,500.00 to RICHARD
SWAEBE, INC. and affirmatively avers that SEARS WORLD TRADE, INC.
owed and owes the sum of \$121,500.00 to MOSQUERA.
5. MOSQUERA admits the allegations contained in paragraph 47
except MOSQUERA denies that there was any "pretext" that there were
conflicting claims as to the sum of \$121,500.00.
6. MOSQUERA admits the allegations contained in paragraph 48.
7. MOSQUERA admits the allegations contained in paragraph 49.
8. MOSQUERA admits the allegations contained in paragraph 50.
9. MOSQUERA admits the allegations contained in paragraph 51.

I HEREBY CERTIFY that a true and correct copy of the above and
foregoing was mailed this 19th day of February, 1985 to Murray B.

*Only needed to
put in file
9/1*

Weil, Jr., Esquire, Attorney for Plaintiff, 1666 79th Street Causeway,
Suite 608, Miami Beach, Florida 33141 and to Vance E. Salter, Esquire,
Attorney for SEARS WORLD TRADE, INC., 4000 Southeast Financial Center,
Miami, Florida 33131-2398.

LAW OFFICES OF BRYSON AND BERMAN, P.A.
Attorneys for RICARDO MOSQUERA
Suite 219, 8525 N. W. 53rd Terrace
Miami, Florida 33166-4521 (594-4001)

RODNEY W BRYSON

By: _____
RODNEY W. BRYSON, ESQUIRE

IN THE CIRCUIT COURT OF THE
ELEVENTH JUDICIAL CIRCUIT IN
AND FOR DADE COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

Case No. 84-44203 CA-17

RICHARD SWAEBE, INC.,
a Florida corporation,

Plaintiff,

v.
SEARS WORLD TRADE, INC.,
a Delaware corporation,
and RICARDO MOSQUERA,

Florida Bar No. 232981

Defendants.

ANSWER, AFFIRMATIVE DEFENSES, AND
COUNTERCLAIMS OF DEFENDANT
SEARS WORLD TRADE, INC.

ANSWER

Defendant SEARS WORLD TRADE, INC. ("SWT") answers the
Complaint filed and served by the plaintiff as follows:

1. Admitted that the plaintiff seeks damages in excess
of \$5,000.
2. Admitted.
3. Admitted that SWT is a Delaware corporation; otherwise
denied.
4. Admitted (although SWT engages in other business
activities as well).
5. Admitted.
6. SWT realleges its responses to Paragraphs 1 through
5 above.
7. Denied.
8. Denied.
9. Denied.
10. SWT realleges its responses to Paragraphs 1 through
9 above.
11. Denied.
12. Denied.

13. Denied.
14. Denied.
15. SWT realleges its responses to Paragraphs 1 through 14 above.
16. Denied.
- 16.A. Denied.
17. Denied.
- 17.A. Denied.
18. Denied.
19. Denied.
20. Denied.
21. Denied.
22. Denied.
23. Denied.
24. SWT realleges its responses to Paragraphs 1 through 23 above.
25. Denied.
26. Denied.
27. Denied.
28. Denied.
29. Denied.
30. SWT realleges its responses to Paragraphs 1 through 29 above.
31. Denied.
32. Denied.
33. Denied.
34. Denied.
35. Denied.
36. Denied.
37. Denied.
38. SWT realleges its responses to Paragraphs 1 through 37 above.
39. Denied.

40. Denied.
41. Denied.
42. Denied.
43. Denied.
44. SWT realleges its responses to Paragraphs 1 through 43 above.
45. Without knowledge, therefore denied.
46. Denied.
47. Denied.
48. Denied.
49. Denied.
50. Denied.
51. Denied.
52. SWT denies each and every allegation not specifically admitted above.

WHEREFORE, having answered the Complaint, SWT respectfully requests the entry of judgment in favor of SWT.

AFFIRMATIVE DEFENSES

53. The wrongful acts set forth in the counterclaims which follow (which allegations are hereby incorporated by reference) constitute a setoff to any claim against SWT by the plaintiff.

54. The plaintiff failed to perform conditions precedent to any alleged agreement with SWT: confirmed and timely procurement of goods.

55. The plaintiff misrepresented to SWT the plaintiff's experience, business contacts, and capabilities. Any alleged oral or written agreement with SWT was procured through such misrepresentations and has been rescinded.

56. The oral or written agreements alleged by the plaintiff failed for lack of consideration on the part of the plaintiff.

57. One or more of the alleged oral agreements are barred by the statute of frauds.

58. Any communication or dealings between SWT and any third parties were in SWT's business interest, were not in derogation of any law, regulation or agreement, and were privileged. Such communications or dealings are not wrongful under the law relating to advantageous business relationships.

COUNTERCLAIM

SWT sues RICHARD SWAEBE, INC. and alleges:

1. This is an action for breach of contract and for fraud. Compensatory and punitive damages in excess of \$1,000,000 are sought.

2. SWT is a Delaware corporation with its principal place of business in Washington, D.C.

3. RICHARD SWAEBE, INC. ("Swaebe") is a Florida corporation with its principal place of business in Dade County, Florida.

Count I -- Fraud

4. In 1983, Swaebe represented to SWT that Swaebe:

(a) Had substantial business experience and commodities contacts in Latin America;

(b) Could fill SWT's materials requirements in respect to certain commodities; and

(c) Represented reliable Latin American suppliers under agency agreements.

5. Based upon Swaebe's representations to SWT, SWT identified buyers for various commodities, and placed orders to fill such requirements through Swaebe.

6. Swaebe knew or should have known, when he made such representations to SWT, that he did not have firm sources of supply and that he could not fill SWT's requirements.

7. SWT relied upon Swaebe's representations by committing with third-party purchasers to deliver goods. When Swaebe

failed to obtain goods for delivery to SWT as represented, SWT was obligated to procure goods from other sources and at increased costs. In addition, SWT's business reputation was damaged by its inability to perform.

8. Swaebe intentionally misled SWT for its own attempted pecuniary gain, well knowing the disastrous consequences its misrepresentations might cause, and subsequently did cause, SWT. To deter similar conduct in the future by Swaebe, an award of punitive damages is appropriate.

WHEREFORE, SWT respectfully requests compensatory and punitive damages in excess of \$1,000,000, costs, and such further relief as this Court deems just.

Count II -- Contract

9. SWT realleges the allegations set forth in Paragraphs 1 through 8 above.

10. Swaebe breached its agreements to provide goods to SWT or to SWT's designees.

11. As a direct result of Swaebe's breaches, SWT has suffered money damages in excess of \$1,000,000.

WHEREFORE, SWT respectfully requests compensatory damages in excess of \$1,000,000, costs, and such further relief as this Court deems just.

STEEL HECTOR & DAVIS
Attorneys for Sears World
Trade, Inc.
4000 Southeast Financial Center
200 South Biscayne Boulevard
Miami, Florida 33131-2398
Telephone: (305) 577-2804

By: Vance E. Salter

Vance E. Salter

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished, by mail, this 27th day of February, 1985 to Murray B. Weil, Jr., P.A., Attorneys for Plaintiff, 1666-79th Street Causeway, Suite 608, Miami Beach, Florida 33141 and Rodney M. Bryson, Esquire of Bryson & Berman, P.A., Attorneys for Defendant, Ricardo Mosquera, 8525 N.W. 53rd Terrace, Suite 219, Miami, Florida 33166-4521.


Vance E. Salter

and could fulfill the materials requirements of Defendant, SEARS WORLD TRADE, INC., and denies the remainder of said paragraph 4, and demands strict proof thereof.

4. Plaintiff denies the allegations contained in paragraph 5 of said Counterclaim, and in further answer to same states that the Defendant, SEARS WORLD TRADE, INC., failed to comply with the requirements necessary to fulfill the orders placed by the Defendant.

5. Plaintiff denies the allegations contained in paragraphs 6, 7 and 8 of said Counterclaim, and demands strict proof thereof, and in further answer to same states that the facts set forth therein do not justify an award of punitive damages.

6. As and for its answer to paragraph 9 of said Counterclaim, Plaintiff repeats and reiterates its responses as set forth to paragraphs 1 through 8 of the Counterclaim.

7. Plaintiff denies the allegations contained in paragraphs 10 and 11 of said Counterclaim, and demands strict proof thereof.

I HEREBY CERTIFY that a true and correct copy of the above and foregoing REPLY TO AFFIRMATIVE DEFENSES AND ANSWER TO COUNTERCLAIM FILED BY DEFENDANT SEARS WORLD TRADE, INC., was mailed this 6TH day of MARCH, 1985, to: Vance E. Salter, Esquire of STEEL, HECTOR & DAVIS, Attorneys for Defendant SEARS WORLD TRADE, INC., 4000 Southeast Financial Center, 200 South Biscayne Boulevard, Miami, FL 33131-2398, and to Rodney M. Bryson, Esquire of BRYSON & BERMAN, P.A., Attorneys for Defendant RICARDO MOSQUERA, 8525 N.W. 53rd Terrace, Suite 219, Miami, FL 33166-4521.

MURRAY B. WEIL, JR., P.A.
Attorneys for Plaintiff
1666 - 79th St. Causeway, Suite 608
Miami Beach, FL 33141
Tel.No. (305) 864-2369

BY

MURRAY B. WEIL, JR.

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR DADE
COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

CASE NO. 84-44203 CA (17)

RICHARD SWAEBE, INC., a
Florida corporation,

Plaintiff,

v.

SEARS WORLD TRADE, INC., a
Delaware corporation, and
RICARDO MOSQUERA,

Defendants.

REPLY TO AFFIRMATIVE DEFENSES
AND ANSWER TO COUNTERCLAIM
FILED BY DEFENDANT SEARS
WORLD TRADE, INC.

Florida Bar #085688

COMES NOW the Plaintiff, RICHARD SWAEBE, INC., a Florida corporation, by and through its undersigned attorney, and as and for its Reply to the Affirmative Defenses filed by the Defendant, SEARS WORLD TRADE, INC., alleges as follows:

1. Plaintiff denies the allegations contained in paragraphs 53 and 54 of said Affirmative Defenses, and in further answer to same states that, if in fact any conditions precedent were not performed, it was because of the acts, conduct, and failure to perform on the part of the Defendant.

2. Plaintiff denies the allegations contained in paragraphs 55, 56, 57 and 58 of said Affirmative Defenses, and demands strict proof thereof.

As and for its Answer to the Counterclaim filed herein, Plaintiff states as follows:

1. Plaintiff denies the allegations contained in paragraph 1 of said Counterclaim.

2. Plaintiff admits the allegations contained in paragraphs 2 and 3 of said Counterclaim.

3. Plaintiff admits that portion of the allegations contained in paragraph 4 of said Counterclaim, wherein it is alleged that the Plaintiff stated that it had commodities contacts in Latin America

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT OF FLORIDA,
IN AND FOR DADE COUNTY

GENERAL JURISDICTION DIVISION

CASE NO. 84-44203 CA-17

RICHARD SWAEBE, INC., a
Florida corporation,

Plaintiff,

v.

SEARS WORLD TRADE, INC., a
Delaware corporation, and
RICARDO MOSQUERA,

Defendants.

RICARDO MOSQUERA,

Defendant/Counter-Plaintiff/
Crossclaimant,

v.

RICHARD SWAEBE, INC., a
Florida corporation, and SEARS
WORLD TRADE, INC., a Delaware
corporation,

Counter-Defendants/
Cross-Defendants

MOSQUERA'S COUNTERCLAIM AND CROSSCLAIM
Fla. Bar No. 154900

COMES NOW, RICARDO MOSQUERA ["MOSQUERA"], and sues RICHARD SWAEBE, INC. ["SWAEBE"] and SEARS WORLD TRADE, INC. ["SEARS"], and alleges:

- A 1. This is an action for damages in excess of \$5,000.00; this Court has jurisdiction over the cause and the parties.
- A 2. SEARS is a corporation duly organized and existing under the laws of the State of Delaware.
- A 3. SWAEBE is a corporation duly organized and existing under the laws of the State of Florida.
- A 4. Prior to the summer of 1983, SWAEBE represented to MOSQUERA that SWAEBE had contacts and customers in the United States, and elsewhere, who were seeking to purchase materials, minerals, manufactured products and the like, from various suppliers abroad.
- A 5. At all times material, SWAEBE knew that MOSQUERA was in the import/export business in South America and had extensive contacts throughout South America with persons and entities in the business of supplying materials, minerals, manufactured products and the like.
- A 6. At all times material, SWAEBE and MOSQUERA orally agreed

that and all commissions or gross profits/realized on any transaction procured through the joint efforts of MOSQUERA and SWAEBE would be equally divided between them, i.e., 50% to MOSQUERA and 50% to SWAEBE, the parties to bear their own expenses.

COUNT I

R & R 7. MOSQUERA repeats and realleges each and every allegation of this Counterclaim and Crossclaim as though set forth herein at length.

A 8. Pursuant to the aforesaid oral agreement between SWAEBE and MOSQUERA, and in or about August of 1983 and thereafter, MOSQUERA procured and secured a source of 1,800 metric tons of 99.7% heavy aluminum coils in Venezuela, and SWAEBE and MOSQUERA subsequently marketed this material to SEARS at a price of \$1,585.00 per metric ton for a total price of \$2,853,000.00.

D 9. SEARS, SWAEBE and MOSQUERA orally agreed that SEARS would cause irrevocable letters of credit to be transmitted to SWAEBE in an amount sufficient to purchase the entire 1,800 metric tons from MOSQUERA'S source in Venezuela, and further agreed that SWAEBE was to thereupon issue irrevocable letters of credit in favor of the source in Venezuela in the total sum sufficient to purchase the entire 1,800 metric tons.

D 10. Although SEARS caused letters of credit to be issued in accordance with the oral agreement between the parties, SWAEBE breached the contract by failing and refusing to issue letters of credit for the entire 1,800 metric tons - instead issuing only a letter of credit sufficient to purchase 300 metric tons.

D 11. Upon receipt of SWAEBE'S partial letter of credit, MOSQUERA'S source in Venezuela, Aluminio Guayana, indicated that it would refuse to hold or honor the agreed price for the remaining 1,500 metric tons of heavy aluminum.

D 12. As a direct and proximate result of SWAEBE'S breach of contract, MOSQUERA was required to introduce SEARS to his source of aluminum and through meetings with MOSQUERA, SEARS and Aluminio Guayana representatives, MOSQUERA was able to convince Aluminio Guayana to honor the original price upon the remaining 1,500 metric tons of heavy aluminum - all through efforts and meetings which SWAEBE and its representatives refused to attend.

D 13. As a result of the transaction aforesaid, commissions were generated in the total gross sum of \$243,000.00, and MOSQUERA informed and requested that SEARS pay 50% of said commissions to SWAEBE and 50% to himself in accordance with the oral agreement existing by and between SWAEBE and MOSQUERA; SEARS did thereupon pay \$121,500.00 to SWAEBE as instructed but failed and refused to pay \$121,500.00 to MOSQUERA because SWAEBE, without justification or cause, demanded that SEARS pay the entire commission to SWAEBE.

D 14. SEARS is presently retaining MOSQUERA'S share of the commission in the sum of \$121,500.00 because of the conflicting claims thereto made by SWAEBE and MOSQUERA even though the aluminum transaction has been fully completed and the aluminum delivered and paid for.

D 15. All conditions precedent to the institution of this action have occurred or have been satisfied.

WHEREFORE, MOSQUERA sues SEARS and SWAEBE and prays:

A. That this Court take jurisdiction over the cause and the parties;

B. That the Court enter its judgment declaring and determining that MOSQUERA is entitled to the entire remaining commission in the sum of \$121,500.00 presently being held by SEARS;

C. That the Court enter its judgment in favor of MOSQUERA and against SEARS for damages in the sum of \$121,500.00 and that said judgment further declare that upon payment thereof by SEARS to MOSQUERA that SEARS would have no further liability on account of the commission to SWAEBE;

D. That the Court render such other and further relief as the Court deems just and proper.

COUNT II

R+P 16. MOSQUERA repeats and realleges the allegations of paragraphs 1 through 6 of this Counterclaim and Crossclaim as though set forth herein at length.

D 17. MOSQUERA jointly procured the materials and sources of supply which form the basis for the claims made by SWAEBE against SEARS as more fully set forth in Count I of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$17,100.00; in Count

II of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$2,700,000.00; and in Count III of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$2,660,000.00.

18. MOSQUERA is uncertain and unsure as to why the transactions more fully set forth in Counts I, II and III of SWAEBE'S Complaint were not consummated, but MOSQUERA affirmatively alleges that to the extent any commissions or gross profits are owed by SEARS to SWAEBE as a result of these transactions, MOSQUERA is entitled to 50% thereof in accordance with the agreement existing by and between MOSQUERA and SWAEBE as more fully set forth hereinabove.

19. All conditions precedent to the institution of this action have occurred or have been satisfied.

WHEREFORE, MOSQUERA sues SEARS and SWAEBE and prays:

A. That this Court take jurisdiction over the cause and the parties;

B. That this Court by its judgment declare and determine whether SEARS owes any commissions as a result of the transactions more fully alleged in Counts I, II and III of SWAEBE'S Complaint;

C. That to the extent commissions are found to be due from SEARS on account of the transactions as alleged in Counts I, II and III of SWAEBE'S Complaint, that the Court further enter its judgment decreeing that 50% thereof be paid directly to MOSQUERA in accordance with the oral agreement existing by and between SWAEBE and MOSQUERA;

D. That the Court grant such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

MOSQUERA hereby demands a trial by jury on all issues so triable as a matter of right.

LAW OFFICES OF BRYSON & BERMAN, P.A.
Attorneys for MOSQUERA
Suite 219
8525 N. W. 53rd Terrace
Miami, Florida 33166-4521 (594-4001)

By: _____
RODNEY W. BRYSON, ESQ.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the above and foregoing was mailed this 25 day of March, 1985 to Murray B. Weil, Jr., Esquire, Attorney for SWAEBE, 1666-79th Street Causeway, Suite 608, Miami Beach, Florida 33141, and to Vance E. Salter, Esquire, Attorney for SEARS, 4000 Southeast Financial Center, Miami, Florida 33131-2398.

LAW OFFICES OF BRYSON & BERMAN, P.A.
Attorneys for MOSQUERA

RODNEY W BRYSON

By: RODNEY W. BRYSON, ESQUIRE

IN THE CIRCUIT COURT OF THE 11TH JUDICIAL CIRCUIT
IN AND FOR DADE COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

D SWAEBE, INC., a	:	CASE NO. <u>84-44203 CA (17)</u>
a corporation,	:	
Plaintiff,	:	Florida Bar #085688
	:	
	:	
S WORLD TRADE, INC., a	:	
ware corporation, and	:	
RICARDO MOSQUERA,	:	
Defendants.	:	<u>PLAINTIFF/COUNTER-DEFENDANT'S</u>
	:	<u>ANSWER TO COUNTERCLAIM AND</u>
	:	<u>CROSSCLAIM</u>
CARDO MOSQUERA,	:	
Defendant/Counter-	:	
Plaintiff/Crossclaimant,	:	
	:	
	:	
RICHARD SWAEBE, INC., a	:	
Florida corporation, and	:	
SEARS WORLD TRADE, INC., a	:	
Delaware corporation,	:	
Counter-Defendants/	:	
Cross-Defendants.	:	

COMES NOW the Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., a Florida corporation, by and through its undersigned counsel, and files this its Answer to the Counterclaim and Crossclaim of the Defendant/Counter-Plaintiff/Crossclaimant, RICARDO MOSQUERA, and states as follows:

1. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., admits the allegations contained in paragraphs 1, 2, 3, 4, 5, (6) and 8 of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim.

COUNT I

2. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., repeats and reiterates each and every answer to the allegations as set forth in paragraphs 1, 2, 3, 4, 5 and 6 of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim as though fully and at length set forth herein, in answer to Paragraph 7.

3. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., admits each and every allegation contained in paragraphs 8 in COUNT I of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim.

4. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., denies each and every allegation contained in paragraphs 9, 10, 11, 12, 13, 14 and 15 in COUNT I of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim, and demands strict proof thereof.

COUNT II

5. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., repeats and reiterates each and every answer to the allegations as set forth in paragraphs 1, 2, 3, 4, 5 and 6 of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim as though fully and at length set forth herein, in answer to Paragraph 16.

6. Plaintiff/Counter-Defendant/Cross-Defendant, RICHARD SWAEBE, INC., denies each and every allegation contained in paragraphs 17, 18 and 19 in COUNT II of Defendant/Counter-Plaintiff/Crossclaimant's Counterclaim and Crossclaim, and demands strict proof thereof.

I HEREBY CERTIFY that a true and correct copy of the above and foregoing PLAINTIFF/COUNTER-DEFENDANT'S ANSWER TO COUNTERCLAIM AND CROSSCLAIM was mailed this 25th day of April, 1985, to: Rodney W. Bryson, Esquire, BRYSON AND BERMAN, P.A., Attorneys for MOSQUERA, 8525 N.W. 53rd Terrace, Suite 219, Miami, Florida 33166, and to Vance E. Salter, Esquire, STEEL HECTOR & DAVIS, Attorneys for SEARS WORLD TRADE, INC., 4000 Southeast Financial Center, Miami, Florida 33131.

MURRAY B. WEIL, JR., P.A.
Attorneys for SWAEBE
1666 - 79th St. Causeway, #608
Miami Beach, FL 33141
Tel.No. (305) 864-2369

BY _____
MURRAY B. WEIL, JR.

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT OF FLORIDA,
IN AND FOR DADE COUNTY

GENERAL JURISDICTION DIVISION

CASE NO. 84-44203 CA-17

RICHARD SWAEBE, INC., a
Florida corporation,

Plaintiff,

v.

SEARS WORLD TRADE, INC., a
Delaware corporation, and
RICARDO MOSQUERA,

Defendants.

RICARDO MOSQUERA,

Defendant/Counter-Plaintiff/
Crossclaimant,

v.

RICHARD SWAEBE, INC., a
Florida corporation, and SEARS
WORLD TRADE, INC., a Delaware
corporation,

Counter-Defendants/
Cross-Defendants,

MOSQUERA'S AMENDED COUNTERCLAIM AND CROSSCLAIM

COMES NOW, RICARDO MOSQUERA ["MOSQUERA"], and sues RICHARD SWAEBE, INC. ["SWAEBE"] and SEARS WORLD TRADE, INC. ["SEARS"], and alleges:

1. This is an action for damages in excess of \$5,000.00; this Court has jurisdiction over the cause and the parties.
2. SEARS is a corporation duly organized and existing under the laws of the State of Delaware.
3. SWAEBE is a corporation duly organized and existing under the laws of the State of Florida.
4. Prior to the summer of 1983, SWAEBE represented to MOSQUERA that SWAEBE had contacts and customers in the United States, and elsewhere, who were seeking to purchase materials, minerals, manufactured products and the like, from various suppliers abroad.
5. At all times material, SWAEBE knew that MOSQUERA was in the import/export business in South America and had extensive contacts throughout South America with persons and entities in the business of supplying materials, minerals, manufactured products and the like.
6. At all times material, SWAEBE and MOSQUERA orally agreed that any and all commissions or gross profits realized on any trans-

"A"

action procured through the joint efforts of MOSQUERA and SWAEBE would be equally divided between them, i.e., 50% to MOSQUERA and 50% to SWAEBE, the parties to bear their own expenses.

COUNT I

7. MOSQUERA repeats and realleges each and every allegation of this Counterclaim and Crossclaim as though set forth herein at length.

8. Pursuant to the aforesaid oral agreement between SWAEBE and MOSQUERA, and in or about August of 1983 and thereafter, MOSQUERA procured and secured a source of 1,800 metric tons of 99.7% heavy aluminum coils in Venezuela, and SWAEBE and MOSQUERA subsequently marketed this material to SEARS at a price of \$1,585.00 per metric ton for a total price of \$2,853,000.00.

9. As a result of the aforesaid transaction, commissions were generated in the total sum of \$243,000.00 and which were then due and owing from SEARS to SWAEBE and/or SWAEBE and MOSQUERA.

10. SEARS paid one-half (1/2) of the commission to SWAEBE in the sum of \$121,500.00 but demanded in writing joint instructions from MOSQUERA and SWAEBE as to the payee of the balance of the commission, and agreed in writing that it would render payment of said \$121,500.00 balance upon receiving written instructions from SWAEBE and MOSQUERA as to how the balance should be paid. A true copy of SEARS' written demand and agreement in this regard is attached hereto as Exhibit "A" and by reference incorporated herein.

11. MOSQUERA and SWAEBE thereafter issued joint written instructions to SEARS as to disposition of the balance of the commission, all in accordance with SEARS' directives as set forth in Exhibit "A", but SEARS, without justification or cause thereupon breached its agreement by failing and refusing to pay the balance of the commission or any part thereof as directed by MOSQUERA and SWAEBE.

12. SWAEBE has breached its oral agreement with MOSQUERA by failing to pay to MOSQUERA his share of the commission generated as a result of the aforescribed transaction.

13. All conditions precedent to the institution of this action have been satisfied.

WHEREFORE, MOSQUERA sues SEARS and SWAEBE for damages in excess of \$5,000.00 plus costs and prejudgment interest.

COUNT II

14. MOSQUERA repeats and realleges the allegations set forth in paragraphs 1 through 6 of this Counterclaim and Crossclaim as though set forth herein at length.

15. Pursuant to the aforesaid oral agreement between SWAEBE and MOSQUERA, and in or about August of 1983 and thereafter, MOSQUERA procured and secured a source of 1,800 metric tons of 99.7% heavy aluminum coils in Venezuela, and SWAEBE and MOSQUERA subsequently marketed this material to SEARS at a price of \$1,585.00 per metric ton for a total price of \$2,853,000.00.

→ 16. SEARS, SWAEBE and MOSQUERA orally agreed that SEARS would cause irrevocable letters of credit to be transmitted to SWAEBE in an amount sufficient to purchase the entire 1,800 metric tons from MOSQUERA'S source in Venezuela, and further agreed that SWAEBE was to thereupon issue irrevocable letters of credit in favor of the source in Venezuela in the total sum sufficient to purchase the entire 1,800 metric tons.

→ 17. Although SEARS caused letters of credit to be issued in accordance with the oral agreement between the parties, SWAEBE breached the contract by failing and refusing to issue letters of credit for the entire 1,800 metric tons - instead issuing only a letter of credit sufficient to purchase 300 metric tons.

18. Upon receipt of SWAEBE'S partial letter of credit, MOSQUERA'S source in Venezuela, Aluminio Guyana, indicated that it would refuse to hold or honor the agreed price for the remaining 1,500 metric tons of heavy aluminum.

19. As a direct and proximate result of SWAEBE'S actions, MOSQUERA was required to introduce SEARS to his source of aluminum and through meetings with MOSQUERA, SEARS and Aluminio Guyana representatives, MOSQUERA was able to convince Aluminio Guyana to honor the original price upon the remaining 1,500 metric tons of heavy aluminum.

20. At all times material, SEARS had actual knowledge that MOSQUERA was, in conjunction with SWAEBE, entitled to 50% of the commissions to be paid as a result of this transaction, and SEARS orally agreed to pay MOSQUERA his share of the commission directly in consideration for MOSQUERA introducing SEARS to his source of aluminum as aforesaid.

21. As a result of the transaction aforesaid, commissions were generated in the total gross sum of \$243,000.00, and MOSQUERA informed and requested that SEARS pay 50% of said commissions to SWAEBE and 50% to himself in accordance with the oral agreement existing by and between SWAEBE, MOSQUERA and SEARS; SEARS did thereupon pay \$121,500.00 to SWAEBE as instructed but failed and refused to pay \$121,500.00 to MOSQUERA because SWAEBE, without justification or cause, demanded that SEARS pay the entire commission to SWAEBE.

22. SEARS is presently retaining MOSQUERA'S share of the commission in the sum of \$121,500.00 because of the conflicting claims thereto made by SWAEBE and MOSQUERA even though the aluminum transaction has been fully completed and the aluminum delivered.

23. All conditions precedent to the institution of this action have occurred or have been satisfied.

WHEREFORE, MOSQUERA sues SEARS and SWAEBE and prays:

A. That this Court take jurisdiction over the cause and the parties;

B. That the Court enter its judgment declaring and determining that MOSQUERA is entitled to the entire remaining commission in the sum of \$121,500.00 presently being held by SEARS, plus interest;

C. That the Court enter its judgment in favor of MOSQUERA and against SEARS for damages in the sum of \$121,500.00, plus interest, and that said judgment further declare that upon payment thereof by SEARS to MOSQUERA that SEARS would have no further liability on account of the commission to SWAEBE; and

D. That the Court render such other and further relief as the Court deems just and proper.

COUNT III

24. MOSQUERA repeats and realleges the allegations of paragraphs 1 through 6 of this Counterclaim and Crossclaim as though set forth herein at length.

25. MOSQUERA jointly procured the materials and sources of supply which formed the basis for the claims made by SWAEBE made against SEARS as more fully set forth in Count I of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$17,100.00; in Count

II of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$2,700,000.00; and in Count III of SWAEBE'S Complaint wherein SWAEBE alleges that SEARS owes the sum of \$2,660,000.00.

26. MOSQUERA is uncertain and unsure as to why the transactions more fully set forth in Counts I, II and III of SWAEBE'S Complaint were not consummated, but MOSQUERA affirmatively alleges that to the extent any commissions where both gross profits are owed by SEARS to SWAEBE as a result of these transactions, MOSQUERA is entitled to 50% thereof in accordance with the agreement existing by and between MOSQUERA and SWAEBE as more fully set forth hereinabove.

27. All conditions precedent to the institution of this action have occurred or have been satisfied.

WHEREFORE, MOSQUERA sues SEARS and SWAEBE and prays:

A. That this Court take jurisdiction over the cause and the parties;

B. That this Court by its judgment declare and determine whether SEARS owes any commissions as a result of the transactions more fully alleged in Counts I, II and III of SWAEBE'S Complaint;

C. That to the extent commissions are found to be due from SEARS on account of the transactions as alleged in Counts I, II and III of SWAEBE'S Complaint, that the Court further enter its judgment decreeing that 50% thereof be paid directly to MOSQUERA in accordance with the oral agreement existing by and between SWAEBE and MOSQUERA; and

D. That the Court grant such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

MOSQUERA hereby demands a trial by jury on all issues so triable as a matter of right.

I HEREBY CERTIFY that a true and correct copy of the above and foregoing was mailed this 10th day of July, 1985 to Murray B. Weil, Jr., Esquire, Attorney for SWAEBE, 1666-79th Street Causeway, Suite 608, Miami Beach, Florida 33141, and to Vance E. Salter, Esquire, Attorney for SEARS, 4000 Southeast Financial Center, Miami, Florida 33131-2398.

LAW OFFICES OF BRYSON & BERMAN, P.A.
Attorneys for MOSQUERA
Suite 219, 8525 N.W. 53rd Terrace
Miami, Florida 33166-4521 (594-4001)

By: RODNEY W. BRYSON
RODNEY W. BRYSON, ESQUIRE
Fla. Bar No. 154900

Sears World Trade, Inc.
Attn: Vance Salter, Esquire
Steel, Hector & Davis
100 South Biscayne Boulevard
14th Floor
Miami, Florida 33131

In Re: Richard Swaebe, Inc., Ricardo Mosquera -
Sears World Trade, Inc. P/o Aluminio
Guayana, C.A.

Gentlemen:

Please accept this joint letter of instructions regarding the balance of commission due and owing from Sears World Trade, Inc. to the undersigned on account of Sears' purchase of 1800 metric tons of 99.7% aluminum rods from Aluminio Guayana, C.A.

You are hereby requested and instructed to pay the balance of the commissions due and owing on account of the aforementioned transaction in a sum of U.S.\$121,500 by check payable jointly to Roberto Rodriguez-Sarabia, Esquire and Murray B. Weil, Jr., Esquire. Upon receipt and clearance of this check the undersigned acknowledge that Sears World Trade's obligations to the undersigned, jointly and severally, on account of the aforementioned transaction will be completely satisfied and paid in full.

Please forward payment forthwith, in accordance with the above instructions to the attention of Rodney Bryson, Esquire at 8525 N. W. 53rd Terrace, Suite 219, Miami, Florida 33166.

Yours very truly,

RICHARD SWAEBE, INC.

By:

Richard Swaebe
RICHARD SWAEBE, President

Richard Swaebe
RICHARD SWAEBE

Ricardo Mosquera
RICARDO MOSQUERA

1
FEDERAL BUREAU OF INVESTIGATION

6/29/87

Date of transcription

On June 12, 1987, [REDACTED]

[REDACTED] was interviewed by FEDERAL BUREAU OF
INVESTIGATION (FBI) Agents at his office, [REDACTED]
[REDACTED]b6
b7C

The interview had been scheduled to begin at 2:00 p.m. in the presence of [REDACTED] attorney, however, due to [REDACTED] late arrival, the interview started without him at approximately 2:30 p.m. [REDACTED] appeared at approximately 2:50 p.m., and stayed in the interview room until about 3:45 p.m., when he then excused himself to place some phone calls. [REDACTED] was still in the outer office on the telephone at 4:10 p.m. when the interview concluded.

[REDACTED] after viewing the credentials of the interviewing Agents, asked whether the Agents had reviewed the extensive court documents associated with the state civil suit, Circuit Court Docket Number 84-44203. This case was titled: [REDACTED] a Florida Corporation vs. SEARS WORLD TRADE, INC. (SWT), a Delaware Corporation, and [REDACTED]

b6
b7C

[REDACTED] was advised that the agents had not reviewed the court file at which point he became visibly irritated by this lack of review.

It was explained to [REDACTED] by the Agents, that the FBI was not there to review the merits of the civil suit nor to pass judgment upon the decision for a directed verdict entered by the judge.

b6
b7C

It was further explained to [REDACTED] that the Agents were there as fact gatherers to determine what, if any, information existed to support the allegation that FRANK CARLUCCI had personal knowledge of, or participated in fraudulent activities with respect to SWT's business dealings with [REDACTED]

6/12/87

Investigation
SA [REDACTED][REDACTED]
&
WRL/crd

by [REDACTED]

MM 211-7

SEARCHED INDEXED
SERIALIZED FILED
6/19/87
JUL 31 1987b6
b7C

Your agency:

MM 211-7

Continuation of FD-302 of [redacted]

6/12/87

, On

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[redacted] contended that SWT defrauded him through their intentional actions orchestrated to determine the identity of his suppliers in Central America, South America and the Caribbean and thereafter eliminate [redacted] as a principal (or broker) while subsequently dealing directly with his suppliers.

[redacted] stated that non-conforming letters of credit (L.C.'s) were issued at SWT's direction from their financial institution to his financial institution.

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Efforts on his part to receive corrected L.C.s conforming to the previously issued pro-forma invoices resulted in extensive payment delays thereby creating credibility problems with his suppliers and further aggravating his position as a principal (buyer) of products in Latin America.

[redacted] then made available a number of photocopied documents, three of which contained CARLUCCI's name in the copy count. In addition, [redacted] advised that he had seen CARLUCCI's name on various purchase orders for products being bought by SWT through or from [redacted]

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[redacted] maintained that CARLUCCI knew what was transpiring between SWT and [redacted] and that SWT never did consummate any business with [redacted] in conformance with the originally issued pro-forma invoices. [redacted] felt that the reason the business never was consummated in conformance with the originally issued pro-forma invoices was because SWT determined early-on, after negotiations with [redacted] began, that it would be cheaper to determine the identity of his Latin American suppliers and then deal with them directly.

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[redacted] believes he was "used" by SWT precisely for that reason and once SWT learned the identity of his suppliers this was exactly what happened.

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[redacted] believes the non-conforming letters of credit were in essence "stall tactics" deliberately designed to keep him "at bay" by conveying the impression that SWT was an inexperienced international trading company and [redacted] should bear with them while they (SWT) attempted to correct the faulty letters of credit.

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[redacted] advised that although he became disgusted early on with SWT's seeming ineptitude and errors, SWT continued to bait him with offers of ever larger purchases including aluminum ingots, urea nitrogen and petroleum for which he either already had or was able to find Latin or Caribbean suppliers.

[redacted] displayed and provided a copy of an internal SWT memo from [redacted] to [redacted] regarding the negotiations of the purchase of 90 metric tons of aluminum ingots from IDIPROCA, Maracaibo, Venezuela, wherein the previously issued and then expired letter of credit was discussed.

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It was stated in the memo dated November 16, 1983, by [redacted] of SWT that there were three advantages to reopening a letter of credit directly with IDIPROCA.

The three advantages were stated as follows:

1. Direct contact/communication with the supplier;
2. Do not have to deal with [redacted] as a principal to this transaction; and
3. Will immediately establish a working relationship with a potentially very good Venezuelan company.

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The memo goes on to state, "We will then pay [redacted] a commission, after the goods are shipped and properly received. So long as this is handled in a proper business-like fashion, I do not anticipate any problems.

Will you please arrange to reopen the LC accordingly."

/s/ [redacted]

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This memo was obtained through civil discovery during the time period [redacted] was preparing for litigation against SWT.

To the best of [redacted] recollection he would have obtained it in the fall of 1986. [redacted] contended that the content as well as the date of the memo were extremely important. He said the date, November 16, 1983, was relevant because two

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[REDACTED] days later, on November 18, 1983, SWT sent representatives to [REDACTED] to meet with him in an attempt to placate him regarding the continuing problems he was experiencing with the non-conforming letters of credit. Subsequent shipping, scheduling and payment delays had arisen as a result of non-conforming letters of credit issued by SWT.

[REDACTED] said that the meeting on November 18, 1983, for all intents and purposes, was a sham designed to keep him appeased while they (SWT) proceeded to negotiate directly with his suppliers while "bleeding" him for additional information on other Latin American suppliers of goods they (SWT) expected to be able to trade in other markets.

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[REDACTED] advised there were many other instances of apparent duplicity by SWT and cited examples which occurred during discovery and trial preparation. When [REDACTED] through its attorneys, requested copies of SWT's telephone toll records in an attempt to demonstrate for evidentiary purposes that SWT was in direct telephonic contact with [REDACTED] suppliers during critical time periods, they (SWT) turned over the toll records of SEARS AND ROEBUCK COMPANY and never did make their own telephone records available to [REDACTED]

[REDACTED] now believes, from talking to his suppliers, that SWT was in direct contact with them and early on had begun telephonic negotiations designed to eliminate him as a principal or broker.

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[REDACTED] stated that a directed verdict in state court had been rendered against him after a motion for a directed verdict was filed by SWT.

[REDACTED] stated that the Judge had suggested to SWT that this motion be filed by defendant SWT.

[REDACTED] stated that the motion which was filed midway through the trial allowed defendant SWT to amend its responsive pleadings to allege that [REDACTED] was merely a broker thereby subject to Florida State Law governing the actions of brokers.

[REDACTED] stated that a twenty-six page response, apparently filed contesting the motion for a directed verdict, was merely "fanned" by the Judge, who thereafter ruled in favor of the directed verdict.

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[REDACTED] stated that the Judge then presented certificates of appreciation to the jurors, thanked them for their time and dismissed them.

In addition, he said that three of the six jurors expressed dismay at the outcome and told him they would have voted in his favor had the jury been allowed to decide the case.

[REDACTED] has appealed the directed verdict and in addition is preparing to file in federal court under the Civil RICO statute.

[REDACTED] contended that CARLUCCI knew what was transpiring, condoned and participated in what he feels were fraudulent business practices and has thereby demonstrated a lack of integrity and fitness for a position of trust in a public office.

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[REDACTED] in response to questioning by the FBI stated that neither he nor his attorneys had ever had either direct oral or telephonic contact with FRANK CARLUCCI.

Again, in response to questioning, [REDACTED] advised that CARLUCCI had not been deposed in connection with the civil case. [REDACTED] and his attorney, [REDACTED] were asked why they had not deposed CARLUCCI. [REDACTED] said that he had been in favor of deposing CARLUCCI, however, [REDACTED] interjected at this point and stated that it had been a matter of "trial strategy" but did not go on to further explain the rationale for this strategy.

[REDACTED] said there was at least one letter sent by his attorney to the attention of FRANK CARLUCCI at SWT, however, he did not have a copy of the letter readily available and could not recall the date or specific content.

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[REDACTED] provided copies of the following documents.

1. Plaintiff's complaint; case number 84-44203; filed November 30, 1984 before Judge GEORGE ORR; consisting of ten pages.

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2. Plaintiffs Exhibits as follows:

Exhibit A

Exhibit B

Exhibit C

Exhibit D

Exhibit E consisting of two pages

Exhibit E-1

Exhibit F

Exhibit G

Exhibit H

Exhibit I

Exhibit J consisting of two pages

Exhibit K

Exhibit L

Exhibit M

Exhibit N

Exhibit O-consisting of two pages

Exhibit P-consisting of two pages

3. Answer of defendant, [redacted] consisting of two pages.

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4. Answer, Affirmative defenses, and counterclaims of defendant, SWT, Inc., consisting of six pages.

5. Reply to Affirmative defenses and answer to counterclaim filed by defendant SWT consisting of two pages.

6. [redacted] counterclaim and crossclaim consisting of five pages.

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7. Plaintiff/Counter-Defendant's answer to counterclaim and crossclaim, consisting of two pages.

8. [REDACTED] Amended Counterclaim and Crossclaim consisting of five pages.

9. Letter to [REDACTED] from [REDACTED] [REDACTED] for International Trade, SEARS WORLD TRADE, INCORPORATED dated January 13, 1984.

10. Letter from [REDACTED] and [REDACTED] to SEARS WORLD TRADE, INCORPORATED, with attached "notarial" certificate dated June 20, 1984 and August 13, 1984.

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11. Answer to amended counterclaim and crossclaim consisting of two pages.

12. Total documentary pages given to the FBI at the conclusion of the June 12, 1987 interview: 58 pages.